

# Pensions & Investments

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## DEFINED CONTRIBUTION

# 8 big companies sued over 401(k) plan fees

Revenue sharing is put under spotlight in class-action cases

By Doug Halonen

Participants filed a broadside against corporate sponsors of eight major 401(k) plans, alleging the companies failed to monitor and

disclose fees under so-called revenue-sharing arrangements.

The litigation puts an intense spotlight on revenue sharing. In the long run, it could place pressure on fees paid to managers and record keepers of 401(k) plans.

The eight corporations sued are: Lockheed Martin Corp., Bethesda, Md., with more than \$14 billion in defined contribution assets; United Technologies Corp., Hartford, Conn.,

nearly \$14 billion; Northrop Grumman Corp., Los Angeles, more than \$11 billion; Caterpillar Inc., Peoria, Ill., \$4.5 billion; General Dynamics Corp., Falls Church, Va., \$5.96 billion; International Paper Co., Memphis, Tenn., \$4.4 billion; Bechtel Corp., San Francisco, \$3.9 billion; and Exelon Corp., Chicago, with more than \$3 billion.

The class-action suits all allege the

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Michael A. Marcotte

'It's probably a good time to take a close look at your investment fee allocations,' said Winston & Strawn's Michael S. Melbinger.

## AT DEADLINE

### FASB rule to hike bottom line

The Financial Accounting Standards Board, as expected, issued a standard on Sept. 29

## PORTFOLIO STRATEGIES



## INTERNATIONAL

### Dutch asset management