

CLIENT ALERT

DOL Announces New LM-10 Guidance and Extended Filing Deadline

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On March 7, 2006, the U.S. Department of Labor ("DOL") issued new guidance on employers' LM-10 reporting requirements in the form of additional Frequently Asked Questions (FAQ) added to the DOL's Advisory and FAQ issued in November 2005.

The DOL's November 2005 Advisory indicated a much more aggressive enforcement posture with respect to LM-10 reporting, but also created a grace period for reporting -- employers who file compliant LM-10 forms within 90 days of the company's 2005 fiscal year will not be penalized for their failure to submit reports for any prior years. The revised FAQ announces that employers whose fiscal year ended December 31, 2005 will now have until **May 15, 2006** to file their fiscal year 1005 LM-10s

The revised Advisory and FAQs clarify who must file annual LM-10 reports, provide additional examples of reportable expenditures, and explain how an employer who has no reportable expenditures for the 2005 fiscal year can still take advantage of the grace period. Unionized employers should carefully review the revised FAQ, as well as the underlying statutes and case law in this very complicated area of the law, to determine their reporting requirements and ensure that appropriate processes are in place to track reportable expenditures.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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