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POPEO PC**

*Boston  
Washington  
Reston  
New York  
Stamford  
Los Angeles  
London*

*One Financial Center  
Boston, Massachusetts 02111  
617 542 6000  
617 542 2241 fax  
www.mintz.com*

**Alden J. Bianchi  
Member**

*Direct dial 617 348 3057  
abianchi@mintz.com*

July 11, 2005

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Room N-5669  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

Attn: Abandoned Plan Regulations

Dear Sir or Madam:

The purpose of this letter is to offer comments concerning your March 10, 2005 proposed rule and notice entitled "Termination of Abandoned Individual Account Plans and Proposed Class Exemption for Services provided in connection with the Termination of Abandoned Individual Account Plans."

At the outset, we applaud your efforts to address the question of abandoned plans. While abandoned plans can arise in a variety of situations, the negative consequences are most keenly felt by plan participants. Since the financial institutions holding plan assets generally lack the authority to terminate orphan plans or to distribute benefits, participant account balances are diminished as a result of ongoing administrative expenses.

The proposal, which establishes the role of a "Qualified Termination Administrator" (or "QTA"), is a thoughtful and creative response to a pressing need. A QTA has the power to terminate abandoned individual account plans, distribute benefits, and otherwise wind up the plan's affairs. As proposed, however, a QTA must be a person or entity who is eligible to serve as a trustee or an issuer of an individual retirement plan (i.e., an individual retirement account under Internal Revenue Code Section 408(a) or an individual retirement annuity under Code Section 408(b)), and it must hold the assets of the plan on whose behalf it will serve as the QTA.

We urge the Department to expand the definition of QTA to include existing individual plan trustees of abandoned plans. Once a plan sponsor is liquidated, there is no "plan administrator" for purposes of tending to the plan's operations or termination. The incumbent trustees nevertheless retain their offices as such. Some individual trustees might want to resign,

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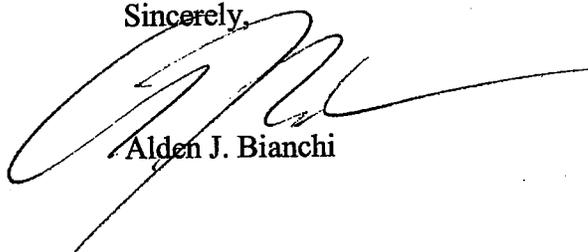
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but others might prefer instead to remain in office for the purpose of overseeing the termination the process. Expanding the definition of QTA accomplishes this result.

Alternatively, we urge you to adopt a rule allowing the individual trustee or trustees to partner with a financial institution/QTA for the purpose of overseeing the plan termination process. The individual trustee is, after all, still a fiduciary and therefore has good reason to want to ensure that the termination process is properly handled. In either case, you can ensure that the individual trustee cannot abuse the office of QTA (or co-QTA, as the case may be) by requiring him or her to serve without compensation (other than his or her out-of-pocket expenses in the manner specified in Labor Regulations § 2550.408c-2(b)(2)). You might also require the posting of a bond.

We appreciate this opportunity to submit comments on this issue, and we hope that you find them useful.

Sincerely,



Alden J. Bianchi

AJB:bb