
From: Ron Ketterling [mailto:Ronk@bautomation.com]

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To: EBSA, E-ORI - EBSA

Subject: Investment Advice - Proposed Rule

We are a small firm (7 people) using a safe-harbor 401K. We use a third party administrator (TPA) for our 401K plan. The TPA is affiliated with a broker-dealer who provides three levels of flat fees for the participants. Level 1 is .25% for self-directed investments; .75% for model based investments; 1.25% for fully managed investments. Will this qualify under the proposed rules published March 2, 2010?

Is the computer model something we would have to pay to done for our plan?

Is the annual audit of investment advice arrangement something that we as the employer have to pay for?

This sounds expensive and probably would result in us terminating our plan. We already pay around \$1,000 per year to the TPA on a small plan. Adding a lot more expense would make it too expensive to maintain a plan.

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