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**Sent:** Wednesday, March 17, 2010 2:03 PM  
**To:** EBSA, E-ORI - EBSA  
**Subject:** Comments on RIN 1210-AB33

Department of Labor:

Response to proposed rule making ( RIN 1210-AB33).

I would prefer that the Federal government limit its plans to add additional controls to our retirement accounts and avoid further micromanaging of investment options available in these plans. I would like to express my opposition to the mandatory incorporation of annuities for participants and beneficiaries of retirement plans.

The typical 401k plan has grown complex enough using traditional mutual funds. Most annuities, as they are currently marketed by financial services companies, would incorporate all of the investment complexity of the conventional plan options and then add another layer of complexity (and higher management fees) through the insurance features they include. One of the biggest problems with our deferred compensation plans is their complexity (along with employees pathetic savings rate) keeps participation too low. I have seen no convincing evidence that complicated insurance products engineered either by the Federal government or the financial institutions will address this concern. It is most likely that these changes would make it less appealing for employees to participate.

Complexity adds to planning errors and mistakes. The real public policy problem is that ignorant, lazy, and unsophisticated investors do not participate in retirement planning and investing. These are the very investors that are at the greatest risk of making bad investment choices. The history of annuities sales practices (particularly variable annuities) is checkered with high fees, along with fraud and abuse. I do not agree with the Federal government's stance that simply requiring the availability of annuity option would improve participants' retirement security.

The unintended consequence of this requirement will allow insurance companies to push more complex products that generate higher profit margins for them and that are too complex for average investors.

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