
From: Asma Emneina [mailto:asma@FinancialEngines.com]
Sent: Monday, August 16, 2010 9:21 PM
To: EBSA, E-ORI - EBSA
Subject: Request to testify at joint DOL / Treasury Hearing on Retirement Income Options

From: Financial Engines
To: EBSA, Treasury
Subject: Request to testify at joint DOL / Treasury Hearing on Retirement Income Options

Financial Engines respectfully requests to testify at the joint hearing on September 14.

Financial Engines is the largest independent Registered Investment Advisor (RIA) in America. We work with over 385 large employers to provide professional management services to 443,000 401(k) plan participants nationwide. Our 12+ years of experience providing advisory services to participants, coupled with our independent retirement research, have given us insight into the retirement help needs of 401(k) participants.

In particular, over the past four years, the Financial Engines Retiree Research Center has conducted extensive research on issues related to retirement income. In June 2010, the Center hosted the Retirement Income Summit to highlight the latest research by thought leaders in investment management, behavioral finance and academia. Through our research, we have conducted hundreds of individual participant interviews to better understand their retirement income needs and preferences. As a result, we have developed a comprehensive understanding of what participants want in a retirement income solution.

Our research has yielded some key insights regarding participant and sponsor preferences that we'd like to share as policy makers and the industry work together to enable effective lifetime income options for participants.

We plan to address the following during our testimony:

- The behavioral preferences and biases participants exhibit when considering income options
- The different types of help participants require during retirement – one size does not fit all – including access to unbiased advisors to answer questions
- The role of the automatics and defaults in making participants successful in the decumulation phase
- The need for cost-effective solutions, blending asset management and insurance components as needed
- How an investment management approach to retirement income can work for participants (with or without annuities)

Most Americans struggle when making unaided savings and investment decisions when planning for retirement. The difficulties of turning retirement savings into retirement income are even more complex. The quality of life for Americans in retirement depends on effective retirement income solutions in order to get the full benefit of their defined

contribution balances. Participants need objective, independent help to deal with these types of important retirement income decisions.

Thank you for your consideration.

Sincerely,

Christopher Jones, Chief Investment Officer
Jason Scott, Managing Director

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Financial Engines is a leading independent investment advisor committed to providing everyone the trusted retirement help they deserve. The company helps investors with their total retirement picture by offering personalized retirement plans for saving, investing and retirement income. Financial Engines offers online advice and professional management to meet the needs of different investors. Co-founded in 1996 by Nobel Prize-winning economist Bill Sharpe, Financial Engines works with America's leading employers and retirement plan providers to make retirement help available to millions of American workers. For more information, please visit www.financialengines.com.

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