From: erik.swenson@nmfn.com
Sent: Tuesday, April 24, 2007 5:01 PM
To: EBSA, E-ORI - EBSA
Subject: Fees in 401k Plans

It is my understanding that you are soliciting insights regarding fees in 401k plans.

I have been in the investment industry for 27 years, and I specialize in providing services to 401k plans. Though plan fiduciaries are responsible for being aware of the fees within their plans, including "Paying only reasonable plan expenses" (DOL Meeting Your Fiduciary Responsibilities brochure, May 2004), many plan fiduciaries have little idea of what their fees actually are, let alone whether they are reasonable.

I believe the public would benefit from the creation and implementation of a SIMPLIFIED one page fee disclosure form that would:

- Accompany every single retirement plan proposal
- Be updated and distributed to the plan fiduciaries annually
- Be provided to plan participants and their beneficiaries prior to their enrollment in the plan, and on an annual basis thereafter

This form should include a breakdown of all fees being withdrawn from plan assets, including (but not limited to):

- Fees being paid to the underlying investment managers
- Recordkeeping fees
- Administration fees
- Financial intermediary fees (broker or advisor)
- Any other fees withdrawn from plan assets

In addition, this form should require each of the parties (recordkeeping, administration and financial intermediary) to state whether they are in a revenue neutral position, and if not, they should have to either state that they have a conflict of interest, or they should have to clearly articulate what their conflict of interest is.

I am not suggesting that fees across the board are inappropriate, as each of these parties deserves to be paid fairly for the services they provide. I do, however, believe the government should require this SIMPLIFIED fee disclosure to assist plan sponsors, participants and their beneficiaries in making competent decisions.

Please do not hesitate to contact me if I can be of help to you in any way regarding this important topic.

Respectfully,

Erik Swenson
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