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To: EBSA, E-ORI - EBSA

Subject: Fee Disclosure

The issue of fee disclosure is not a simple one.

First, when a service provider discloses the "compensation" they are expected to receive, in many cases it is a fabrication. the compensation is a "gross" amount not a "net amount".

Running an administration company can be costly-rent, labor, computers, software, actuaries, conferences, phone, electricity, service providers etc. These factors are not taken into account when the "disclosure" is made.

What this could accomplish is the plan sponsor zeroing on the cost..... and ignoring the benefits of their retirement program with no real gain to any party.

If "fee discloser" is so important to the government, I suggest that all government employees disclose their salary and benefits prior to our communication with the government employee. In this manner we can ascertain whether we as taxpayers are receiving the "best deal" for each government employee we encounter.

For example, My name is Larry I work for the IRS my salary is \$46,000 and I have health benefits worth \$6,000 a year and a pension equal to \$25,000 a year for life when I retire etc.

Or my name is Sue, I work for the school board, I have a salary of \$60,000 a year. I draw overtime of \$30,000 a year plus a retirement of \$56,000 a year.

If "fee disclosure" is so important, this needs to be adopted on a uniform basis across "all industries". When we go into a food store, the "gross profit" on each item must be disclosed prior to purchase. The bread is \$3.25 and our cost to purchase the bread was \$1.25.

In purchasing computers-Computer cost \$325.00 our fee is \$575.00.

In both cases, the retail vendor is not allowed to factor in rent, payroll and the cost of maintaining a retail shop.

The good news, is perhaps he can buy online at a lower price.

In any event, if this is the "new goal" for the "new economy" I suggest that it be extended to all industries and not limited to retirement services.

Hope this is helpful.

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