
From: Jeremy Beadles [mailto:jbeadles@sletteninc.com]

Sent: Thursday, February 03, 2011 6:54 PM

To: EBSA, E-ORI - EBSA

Subject: Definition of Fiduciary Proposed Rule

Dear Sir or Madam:

Sletten Inc. sponsors an employee stock ownership plan, or ESOP. Our ESOP makes employees of Sletten Inc. beneficial owners of our stock.

Federal law requires that every year, as a privately-held company, not traded on a public stock exchange, that Sletten Inc. pays to have a qualified, independent valuation establish the value of the employees' shares in the ESOP.

Recently we learned that on October 22, 2010, the Department of Labor issued a proposed regulation to reverse a 34 year old policy, honored by both Republican and Democratic Administration

prior to October 22, that would automatically make any valuator of ESOP shares a fiduciary to our ESOP.

(Current law clearly makes the trustee a fiduciary, and company personnel with powers over the ESOP fiduciaries.)

If the valuation provider is a fiduciary, she/he will have to purchase fiduciary insurance, many will withdraw providing valuation services to an ESOP company like Sletten Inc., and be subject to aggressive, needless lawsuits.

But we do not write to protect the valuation profession; we write to protect our ESOP, and our employee owners.

If the DOL proposal becomes effective, the cost of having an ESOP will increase, diminishing our profit, which means lower share value, and thus less retirement savings for employees.

The biggest concern is the way the proposal is written, and its impact makes all private ESOP companies, both our trustees and company fiduciaries sitting ducks for lawsuits.

Candidly, the proposal will cause a reassessment of whether successful ESOP programs should continue.

The DOL proposal is contra to the law, which says Federal agencies are not to hinder the creation and operation of ESOPs.

Jeremy Beadles

Sletten Construction Co.

P: 406-761-7920

F: 406-761-0923