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**From:** Scott Leverenz [mailto:[sl@growingmymoney.com](mailto:sl@growingmymoney.com)]

**Sent:** Wednesday, February 17, 2010 8:23 PM

**To:** e-ORI@dol.gov.

**Subject:** RIN 1210-AB33

I would like to comment on RIN 1210-AB33, Request for Information Regarding Lifetime Income Options for Participants and Beneficiaries in Retirement Plans.

This will be a short version and to the point.

I would suggest that the lifetime income options will not work well because:

1. The guarantees are too complex for most people to understand well.
2. People will hear the word "guarantee" and purchase it. It has an extra charge and will be a waste of money in most cases.
3. Most of these options only allow 5% of the guarantee value out per year. Most people will exceed this percentage and reduce if not void the guarantee altogether.

An example: An individual has a guarantee balance of 100,000.00. They are only allowed out \$5,000.00 per year. They take \$10,000.00. The "guarantee" is damaged and they will not receive the full guarantee.

4. Most people are not well versed on creating a financial plan and will put too much money in these guarantees and as per the example in number 3 above, will violate the guarantee and never use it.
5. People will put too much money in these products and not be well diversified.
6. They may not be portable if someone moves companies and wants to roll over their retirement plan to another company plan or an IRA which offers better types of products. If one moved their retirement plan, the guarantee would be lost. Again, paying for something and getting nothing for it.
7. There is a large variety of lifetime guarantee products available on an individual basis. These products are better purchased through a knowledgeable financial planner who can guide them so they do not make mistakes.

In a nutshell: These "guarantees" will be purchased at an extra cost and never used. There is no value here. The only people winning here will be the companies that are collecting the fees and not offering any benefits.

There are many types of products with guarantees available to the public. They are complex and need to be understood. It is best that the plan participants of 401-ks continue to have the bulk of their money available for a rollover. It really may be best if more people seek out good individual financial planners for this type of investment so the guarantees they purchase can actually be used. These types products should be balanced with other types of investment products and a good financial PLAN should be created. The nature of mass marketing in retirement plans simply does not lend itself well to these types of products.

Best regards,

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