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Sent: Saturday, February 27, 2010 12:39 PM
To: EBSA, E-ORI - EBSA
Subject: RFI - Life time income option

Well I've read all public comments currently posted on your website. The overall majority echo my sentiments... keep your hands of my money!

This is just another socialist, redistribution of wealth and attempt to pay for a huge deficit by going after a huge pile of money. The government has already proven that it can't resist such temptation when they started borrowing from Social Security and writing IOU's.

This is obviously a back door attempt at instituting parts of the Teresa Ghilarducci plan. She's just another left leaning liberal who can't stand to see people succeeding on their own without government help and believes we are too stupid to do so. And if we do, we should be forced to share it with others.

You want a huge social uprising...keep pushing forward with this idiotic idea! But then you probably will since the government is too stupid to learn from the overwhelming poll numbers on the Health care issue. There is a growing distrust of the government because they have proven they don't listen to the people and have forgotten this is a country of majority rule, not rule by arrogant, elected officials.

Remember is "We the People", **Not** "We the elected/appointed government officials"

1. From the standpoint of plan participants, what are the advantages and disadvantages for participants of receiving some or all of their benefits in the form of lifetime payments

Answer: 1) I can invest and get a higher return than what any of these plans offer. 2) The fees are too high, the returns too low and the money is frozen. 3)Life time payments may be an advantage, but they come at too high a cost. 3)They (annuities) are often structured so the principle amount becomes the property of the life insurance co on death of the "owner" leaving nothing to the survivors or spouse. So for a married couple one person gets lifetime income the second gets shafted...bad.

2. What explains the low usage rate of lifetime income arrangements? Is it the result of a market failure or other factors

See answers to number 1 above

3. Are there steps that the Agencies could or should take to overcome at least some of the concerns that keep plan participants from requesting or electing lifetime income.

They'd have to be totally restructured and part of that would have to allow them to be liquid so they could be moved to different plans with higher returns or back into bonds or equities without high fees or penalties. And any participation would have to be totally optional with iron clad guarantees that it would never become mandatory.

4. What types of lifetime income are currently available to participants directly from plans (in-plan options), such as payments from trust assets held under a defined benefit plan and annuity payments from insurance contracts held under a defined contribution or defined benefit plan.

My 401K can be rolled into a annuity if I was that stupid. My cash benefit plan offers lump sum or an annuity..again I'm not that stupid.

5. To what extent are 401(k) and other defined contribution plan sponsors using employer matching contributions or employer nonelective contributions to fund lifetime income?

Not in my plan

To what extent are participants offered a choice regarding such use of employer contributions, including by default or otherwise?

My Plan is fully flexible (401K) and I can move the funds (my and employers) among different investment options.

To what extent are these or other behavioral strategies being used or viewed as promising means of encouraging more lifetime income? Can or should the 401(k) rules, other plan qualification rules, or ERISA rules be modified, or their application clarified, to facilitate the use of behavioral strategies in this context?

You can use all the behavioral strategies you want, I will never use the "Life time income options"

12. How should participants determine what portion (if any) of their account balance to annuitize? Should that portion be based on basic or necessary expenses in retirement?

That is and should remain a personal choice and not something the government should be involved in. You want to provide a written guide for educational purposes, fine, but no mandates.

13. Should some form of lifetime income distribution option be required for defined contribution plans (in addition to money purchase pension plans)? If so, should that option be the default distribution option, and should it apply to the entire account balance? To what extent would such a requirement encourage or discourage plan sponsorship?

Absolutely not, absolutely not, and absolutely not. Keep your hands of my money and how I chose to invest it.

You guys are trying to invent a problem where none exists. Life income options aren't used because they are bad investment vehicles for the vast majority of individuals. The market place has already ruled on this issue.

Mike Litschewski