

April 21, 2010

U.S. Dept. of Labor
Re: RIN 1210-AB33

The following is my response as a participant to the proposed government confiscation of IRA/401-K funds. I am **COMPLETELY OPPOSED** to what amounts to federal government larceny of our private retirement funds. I am entirely capable of managing my own portfolio, and I'm much smarter than the government in handling my own affairs. The mess that government has made of Social Security tells us all that they have zero fiscal responsibility and little to no business handling money whatsoever. You people want to take the power and choice away from the individual, when you can't even balance your own budget or live within your own means.

Here are my responses to your itemized questions.

1. Obviously the advantage is to **ostensibly** keep income flowing to the recipient and beneficiary with lower risk. However this eliminates the possibility of the investor being rewarded in the market for taking risks. So if you want to discourage market investment and risk taking, mandating lifetime payments is your ideal. The uneducated think you're doing them a favor. I know better.
2. Predictably, you fail to list what is probably the biggest factor for many people. That is fear that the government will change the rules and in the long run, people will see little to nothing of their money. Oh wait, that's just what you're proposing to do, isn't it....
3. Not that it's any of your business, but my portfolio DOES contain a certain percentage that's in an annuity.
4. Again, not that it's any of your business but the annuity can be dissolved tomorrow or pays out after ten years.
5. All our employees have the choice to invest in lifetime income. Employer contributions go to whatever portfolio structure the employee chooses. It's called freedom.
6. Not applicable.
7. Longevity is the main cost of providing lifetime income benefits.
8. The obvious advantage is that for in-plan programs, the participants are able to capitalize on investments related to the private sector as opposed to being at the mercy of the fickle and untrustworthy government. (Reference answer #2.)
9. For us there are neither advantages nor disadvantages. The product is there for employees to avail themselves to, if they choose.
10. "Presenting or framing".....what a prime example of government subterfuge. Look, people aren't stupid, they can figure out if they want to invest in a lower risk – lower

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reward lifetime income plan with its advantages AND disadvantages or not. **Leave them and their money alone!**

11. I do not need to have my behavior “mitigated”. You people sound like used car salesmen or carnival barkers, I’m not sure which. I am certain of two things. Number one, if you have a dress up a program in order to sell it, it probably stinks to begin with. And number two, the government is not to be trusted.

12. They should determine their level of participation (if any) based on their **OWN INDIVIDUAL NEEDS, DESIRES AND OBJECTIVES.**

13. No. And No. Government regulation almost always oppresses freedom and initiative. There are few advantages to government requirement and regulation, particularly not in this instance of proposed retirement savings confiscation.

14. We have no impediments. We let the employees decide what’s best for them. You should too.

15. Obviously the disadvantage is that certain co-mingled products may not be desired or valued by some participants who’d end up paying for them anyway. Are you being purposely obtuse in asking this question?

16. “Demographic groups”, eh? You mean old vs. young? Black vs. white? Have you run this past the NAACP, NOW or AARP? Where have you put your political correctness?? Sounds like discrimination to me....
Leave it the same.

17. Prospective participants need to know risk-rewards, length of annuity, any early withdrawal penalties, how much they might be losing over time from not being in higher risk-reward plans, administrative fees and **ESPECIALLY viability and character of the program provider.** For instance, the federal government has a long history of renegeing on its commitments, shows poor fiscal judgment and often shifts blame to the private sector in order to absolve itself of any of the responsibility of the resultant financial crisis due to the abject failure of its own poor policies and regulations. I would never buy a product from them.

Plan details as outlined above should be offered annually, explained by either the HR Dept or portfolio manager.

18. No, as I’ve said before, people are smart enough to figure this out. Government does not need to mandate that business spend a certain amount on explaining benefits. After all, the government itself doesn’t explain itself to the public, at least not convincingly.

19. Stop trying to infantilize the public. I have no legal concerns because our employees understand that nothing is certain and there are risks with all investment, INCLUDING lifetime benefit plans.

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20. There should be no regulations or mandated offering of these products. Stop being communists. If people don't like the benefits in a particular plan, they are free to seek employment elsewhere.
21. If you are suggesting that the benefit statement shows a hypothetical lifetime income stream, then NO! The cost to business for that is unnecessary and you are once again trying to not-so-subtly foist a decision on people about a product they may or may not want. That is NOT your job.
22. Skipped, because I said no on 21.
23. Skipped because I said no on 21.
24. Again no. Even your own question admits that the ratio would be based on assumptions and hypothesis. Obviously the costs to business of incorporating all this additional projection and information on the benefits statement are of no concern to you. But they should be. I know you don't like it, but government cannot exist without business. You might want to reflect on that.
25. This is left up to the individual's decision. And no, government should stay out of it.
26. Absolutely NOT.
27. No further guidance is needed.
28. No rule changes are necessary.
29. Overall, I believe that people should make their decisions and live with them. And I do not believe government should change the rules in the middle of the plan. Would you allow the participant the option to roll their previous lump sum payout back into their former employers overall 401-K/IRA plan as well? If yes, then that could possibly be looked at because that allows maximum choices and freedom of decision to the participant **as long as** the employer is not expected to incur any costs whatsoever related to the initiation or maintenance of this action. If your answer is no, then I'd believe it to be a bad idea as the government is then simply trying to push its lifetime product agenda again.
- 30 to 37. I am not knowledgeable about fiduciaries usage of the government's regulation in selecting annuity providers. I am not able to answer these questions.
38. Well, this is what you are banking on, now isn't it? That low earners and low contributors will see your government retirement account as "safe" and "reliable". When doing business with you is anything but that.
39. 50% elected to annuity at least some of their retirement assets.

I will watch with interest as to whether this actually gets posted at the website.

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