Ladies and Gentlemen:

I would like the opportunity to testify at the Hearing on Certain Issues Relating to Lifetime Income Options for Participants and Beneficiaries in Retirement Plans scheduled for September 14, 2010.

I feel that my background gives me a unique perspective that may be helpful to the committee as they consider the many issues/concerns that the RFI submissions have raised. Specifically, I am an actuary and have the CFA designation. I have over 17 years of experience within the industry. I have worked in risk management, pricing and product development inside several insurance companies. In addition, I have served as a consultant to a variety of companies on risk related issues. I have spent the last four years leading the Wealth Management practice within the 1934 Group. Our practice provides consulting services to defined contribution plan sponsors and investment advice to affluent individuals.

I believe that I could provide insight to issues 1, 3 and 5.

1. Reluctance to choose lifetime income options (5 min)
   - I have heard all of the concerns listed raised at one point or another
   - To address these concerns, I believe that any solution put forth will need to provide the following
     - Participant choice
     - Simple, easy to understand default options
     - Signal as to the appropriate decision for most participants
     - Participant education
     - The ability to transfer risks from participants to insurance companies (or other financial institutions) who are in the business of managing these complex risks

3. Disclosure of Account Balances as Monthly Income Streams (5 min)
   - The monthly income stream needs to be reflected in "Today's Dollars"
     - Allows a participant to view the amount of their current income that will be replaced based on their current savings
     - Begins to change way of thinking about retirement savings from a pot of money to an income stream
     - Makes it easy for a participant to understand if they have inadequate savings
Another item that is important to disclose on the statement is the amount of additional income in today's dollars can be generated by saving 1% of the participant's salary between the statement date and the normal retirement age.

- Allows a participant to easily calculate the amount of salary they need to defer to reach the target replacement ratio
- Encourages participant to consider making adjustments to their savings rates or lifestyle before their only option is to delay their retirement

The choice of retirement age in this calculation is an important signal

- It will condition participant thinking of the appropriate age to retire
- To the extent that participant savings and life expectancies dictate that they work longer, an older retirement age may be appropriate for the calculation

5. Alternative Design of In-Plan and Distribution Lifetime Income Options (20 min)

- Overview of the Individual Pension Account with Purchasing Power Protection (IPAwithPPP) - (10 min)
  - Summary of key features
  - In a nutshell, the IPAwithPPP will allow a participant to build a defined benefit plan within their defined contribution plan
- Example of how the IPAwithPPP works (5 min)
- Transition issues (5 min)

For convenience, I have reattached my response to the RFI. I hope you will consider my request and provide me the opportunity to testify on the above issues.

Sincerely,
Benjamin J. Yahr, FSA, MAAA, CFA