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Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Attn: Abandoned Plans

To Whom It May Concern:

In response to your request for comments on the proposed amendments to the abandoned plan program we would like to submit our perspective on how this proposal may change the current Qualified Termination Administrator (QTA) experience and our suggestions for inclusion in the final regulations.

Transamerica Retirement Solutions ("Transamerica") has been an active user of the QTA program since 2009 and have found the program to be a great tool to allow our company, as a custodian of abandoned plan assets, to assist participants of those abandoned plans to gain access to their funds.

We would like to commend the Department of Labor ("DOL") for proposing to remove the declaration on the initial notice of plan abandonment to the DOL regarding the QTA being the subject of an investigation, examination or enforcement action by a government entity. It is our belief that the removal of this question will encourage other large service providers to be willing to participate in the program as a QTA. It was the presence of this question that initially deterred our organization from acting as a QTA for the first three years the abandoned plan program was created.

The overall goal of the majority of the proposed amendment appears to be focused on making the QTA program more accessible and appealing to Chapter 7 Bankruptcy Trustees ("BTs"). Under current law, as noted in the proposed amendment, the U.S. Bankruptcy Code imposes the obligation on BTs to take the steps necessary to terminate the plan of an entity the BT has been appointed to represent. It has been our experience that all too often bankruptcy courts relieve the BT from this duty, leaving the Plan truly abandoned. This proposed amendment doesn't seem to address this problem sufficiently. We strongly encourage the DOL to include additional information in the final regulations that provides guidance on the manner in which the DOL would enforce this requirement and prevent bankruptcy courts from discharging the BT from acting as a proper fiduciary to the Plan.

It appears, based on the language of the proposal, that DOL intended to make the role of QTA more appealing to a BT by offering additional protection from liability under the proposed regulations. However, we believe that the restriction on any fees charged for work as a QTA at the "industry standard" level will discourage BTs from taking an active role with such Plans. We believe, based on Transamerica's fees assessed for its services as a QTA, that the "industry standard" would potentially result in a financial loss for the BT. As such, it would be our recommendation to allow the BT to charge

more than the average custodian/QTA might normally charge for such services. This approach, with further guidance from the DOL, may encourage BTs to assume the QTA mantle.

If the BT doesn't assume the role of QTA based on the requirement that they are only permitted to receive "industry standard" fees, it seems likely that they will take advantage of the delegation to the custodian available under the proposed regulations. If correct, this would appear to defeat the purpose of the proposed regulations to encourage BTs to take on QTA responsibilities.

Even if the proposed regulation were to remain in place regarding the appointment of the BT as fiduciary and the fees remaining as "industry standard," the language of the current proposal doesn't appear to leave the custodian with the ability to say 'no' to acting as a QTA. Under the current definition of "eligible designee," as defined in proposed paragraph (j)(1)(ii), there is no other option. The language also doesn't appear to require there to be any sort of 'meeting of the minds,' if you will, to make sure when the BT declines to act as QTA that the custodian is formally notified and engaged. For further clarity, there should be guidance included in the final regulations as to what is required for the BT to formally designate the custodian and for the custodian to formally accept the appointment.

We strongly recommend that the final regulations include guidance that permits Third Party Administrators (TPAs) to act as QTAs. Transamerica believes that the expansion of the QTA program to include TPAs as QTAs would significantly increase the usage of the abandoned plan program. Typically, TPAs are in possession of valuable census data, participant information and plan documents. This information makes the TPA an excellent candidate to serve as QTA. In general, where a Plan has both a record keeper or custodian and a TPA, the custodian/record keeper typically takes direction from the TPA regarding distribution of assets. The TPA would also have knowledge about delinquent contributions owed to the plan. Allowing TPAs to work with the custodian/record keeper in the QTA capacity would be in the best interest of the participants in such an 'unbundled' relationship.

One of the hardest parts of closing down an abandoned plan is the location of missing participants. Broadening the ability of the QTA to escheat funds to the state's unclaimed property fund, regardless of account balance, is a tremendous step forward. We appreciate the DOL recognizing the removal of the IRS letter-forwarding program and the impact on this process. The proposed amendment has also provided further guidance regarding deceased participants. However, the final regulations should provide further guidance as to what constitutes a 'valid basis' for determining that a participant is deceased. Criteria for this determination should be provided, even if in 'example' form only. For example, would word of mouth from another participant suffice? Would a QTA have to perform a credit check search?

Another challenge QTAs face with missing and/or deceased participants arises in plans that still offer a joint and survivor annuity as an optional form of benefit. Although most defined contribution plans do not offer this optional form of benefit, there are still some plans that have life annuities as the normal form. If the normal form of benefit is life annuity, the burden falls on the QTA to purchase an annuity for those non-responding participants left in the plan.

However, the marital status of missing and/or deceased participants is typically unknown and proper information that is required to establish the annuity is not available. The choice then is to try to amend the plan, leave the plan open until the participant or beneficiary can be located (which may never happen), or risk an operational failure and presume the participant wasn't married. We recommend that the final regulations include guidance on the joint and survivor issue in the form of a blanket waiver of this requirement.

Another comment regarding locating and communicating with participants relates to your calculations of costs. Under the present QTA regulations, we are required to mail notification to participants using certified mail to ensure proper delivery prior to the force-out process. We therefore would request that you consider revising your 'Cost Burden of Rule' calculations accordingly.

Some other basic mechanical observations – you have requested that any breach of fiduciary duty be specified on the initial Notification of Plan Abandonment; however, there is no identified space to do so on Appendix B to 2578.1. Should this be a separate attachment to the Appendix B? We recommend that a specified variable area should be designated to prevent confusion.

Additionally, we would like clarification on why Appendix D to 2578.1 is different from Appendix to 2550.404a-1. They are both the "Notice of Plan Termination" that needs to be provided to participants, and per the instructions appear that they should provide the same information. For ease of administration, it would make more sense to have a single notice that has all possible variables contained in the single notice for the QTA to select, as appropriate.

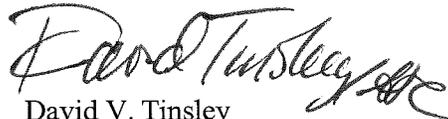
Lastly, the current "Final Notice", Appendix E to 2578.1, should be made more robust to remove the current requirement to submit the Form 5500. The information currently being provided on the Form 5500 is tantamount to the name, EIN, and indicative data on the notice itself, which makes the Form 5500 redundant. The current method of remitting Form 5500 through eFast does not mesh with the submission methods for the STRAP. Printing out a near-blank Form 5500 to attach to the notice seems to be a waste of paper, and in light of the more environmentally conscious government culture, we believe that the Final Notice can be made to serve the proper purpose of both documents with minimal efforts.

Transamerica appreciates the opportunity to comment on this proposed amendment and would certainly make ourselves available for any further questions or discussions.

Sincerely,



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