



July 20, 2020

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

Submitted Electronically to e-OED@dol.gov

Subject: Request for Information Regarding Prohibited Transactions Involving Pooled Employer Plans Under the SECURE Act and Other Multiple Employer Plans (Z-RIN 1210-ZA28)

Hello:

Sentry Insurance appreciates the opportunity to provide comments relating to your recent RFI for PEPs and MEPS.

Sentry Insurance is a member of ACLI and generally agrees with ACLI's comment letter on this subject, but with the following amplification & clarification:

- 1) One of the proprietary products offered by insurance companies for PEPs will be a group annuity contract with a fixed rate of return. Sentry requests clarification from the DOL or exemptive relief that allows insurance companies to operate as a fiduciary plan administrator of a PEP (as required by SECURE) while simultaneously offering guaranteed insurance contracts (or other general account investment based products) as a nonfiduciary (in reliance on the definition of guaranteed benefit policy under ERISA and the advance notification of changes in the guaranteed rate of return for those products).
- 2) Sentry opposes conditioning exemptive relief on an additional external audit for insurance company PEP providers. Insurance companies are already heavily regulated and subject to a number of external reviews from auditors and state insurance commissioners; there is no need for an additional audit in order for an insurance company to act as a PPP for a PEP. The expense and effort of an additional audit will disfavor insurance companies - especially small life insurance companies like Sentry's - as compared to other providers.

Thank you.

Ross A. Solverud

Ross A. Solverud, CPC, QPA, QKA, CEBS
Director - 401(k) Plans | Life and Annuities