

From: Judy Cooper [mailto:judycooper15@att.net]
Sent: Saturday, May 18, 2013 10:34 PM
To: EBSA, E-ORI - EBSA
Subject: RIN 1210-AB20

Sirs,

The requirement for mandating a projection of a 'retirement benefit' has two major flaws.

1 the participating recipient will not read the fine print and condition taken into consideration to make the projection. The recipient may read the 'retirement benefit' as a guaranteed amount they will receive if they save or deposit the amounts shown on a projection. Who will want to tell them it is not guaranteed?

I have seen this situation in labor union pensions (non-Erisa) which threw out the participant due to some obscure rule.

2 How will tell the participant that if he does not save enough and have the good fortune to have the account go up, not stagnate and not down in value, again, the account value is not guaranteed?

3 Again, as with government mandates, who pays for the programming, mailing and generation of the projections? And, as with mandates, are there penalties and strict deadlines for not providing this information to a participant?

4 What would be the size of the 401(k) plan required to provide this information? Would all 401(k) plan participants, non-working or retired and less than 59 1/2 years old receive this information? What about plan withdrawals, loans, repayment of loans, first home withdrawals, etc that skew the projections?

The complexity of programing becomes significant. Who pays for this? Who converts the information to a format to use 'supplied software' from the government? Who pays for the integration of government software to the commercial software plans currently use?

Every time an additional government reporting mandate is initiated which REQUIRES AND penalize companies or plans for not complying 100% with requirements, it is the participant who loses. The administrators pass on the costs of providing the information to the participant. Adding administration overhead burden to plan holders will always be forced down into the expenses charged for the 'benefit' of the participant.

If you asked the participant of a plan if they were willing to pay \$15/year for a report, how many participants do you think would say yes? My bet is less than 10% would willingly pay for another report. They may have already done projections with financial advisers already, or the plan already provides something similar.

Do not pass this 'rule' as I believe it is burdensome, costly and unnecessary for participants who possibly don't open the account statements until about 2-4 years before they retire, or they flat do not understand.

It may be possible to have a **financial advisor 'light'** in a Human Resource department or issue a license for a financial adviser 'light' cover a limited scope of planning information, not sell anything and/or be hired by companies to run software to provide this type of information to employees.

Again, this is an additional financial burden the government is imposing on companies and plan participants.

An effective way of providing retirement benefits to the general population is to increase the social security withholding and increase the benefit due from Social Security. The system is already in place. Not only would it begin to solve the off- the-budget spending, but it would bring the withholding closer to actually paying for the future benefits and become a retirement plan for the working population. Defined benefit plans are the only effective way of giving the general earner especially of under \$70,000/year a predictable, reliable and guaranteed expectation for retirement income. Sadly, the population is generally not disciplined to save for retirement.

I am a semi-retired licensed financial advisor and see the considered reporting requirement both not needed and expensive.

Thank you for your consideration of my opinions.

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