From: Marvin Price [mailto:mp@marvinprice.com]
Sent: Tuesday, April 06, 2010 2:41 PM
To: EBSA, E-ORI - EBSA
Subject: $01(k) investment advisor rules

Since you are seeking comment on investment advisor rules for 401 (k) plan participants I am submitting the following comments. I have been involved in the establishment, sales and enrollment of 401(k) plans for over 20 years. It appears that the people trying to make rules concerning investment advice to plan participants really don't know what they are doing and have no experience with enrolling, servicing or advising 401 (k) plan participants. They are more concerned if an advisor is going to make any money from their efforts in working with plan participants. If you have a basic understanding of how the investment options in a plan work then you can devise a plan which will work for all concerned. The typical self directed 401 (k) plan offers multiple investment options of all asset classes and some fixed or guaranteed accounts from different providers. Typically most major money managers are represented, American Funds,Fidelity, Vanguard, TRowe Price, etc. The compensation paid to the selling broker is a function of the assets in the plan, typically from 5 to 15 basis points, so it makes no difference which funds the advisor recommends the compensation is always the same. This is true of most plans sold and in existence today,so the idea that a selling broker can't provide investment direction to a plan participant or assist the participant in creating an investment strategy is `nonsense. The best solution is to allow the plan provider to provide investment advice to plan participants who request it. Most companies providing product to fund the plans have qualified investment advisors available upon request to assist plan participants. The real issue seems to be that the people trying to make the rules are completely clueless and have no knowledge of the subject they are trying to regulate. M. Price