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Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Room N-5669  
U.S. Department of Labor  
200 Constitution Avenue NW.  
Washington, DC 20210

Attn: Automatic Rollover Regulation

To Whom It May Concern:

The purpose of this letter is to provide comments regarding the Proposed Regulation regarding Fiduciary Responsibilities under the Employee Retirement Income Security Act of 1974 Automatic Rollover Safe Harbor. Specifically, our comments are as follows:

- 1) The definition of a regulated financial institution should include independent trust companies that qualify to administer individual retirement accounts (IRA's) under Internal Revenue Code Section 408. There are many independent trust companies that specialize in the administration of IRA's, and thus, would be a cost-effective option for plan sponsors. In addition, independent trust companies can and do offer third-party investment products designed to preserve principle and provide a reasonable rate of return;
- 2) There should be a minimum fee indexed to inflation (e.g., \$35 to \$50) that a financial institution could charge against the account. Since the proposal limits the amount of the annual fee to income earned by the individual retirement plan, this does not create an economically viable situation for any financial institution offering the product. For example, assuming an average money market fund yield of 0.50%, the fees generated would range from \$5.00 to \$25.00 for accounts between \$1,000 and \$5,000. This limitation, plus the fact that the account would not grow with subsequent contributions like a Traditional/Roth IRA or 401(k) account, would severely limit the attractiveness for any financial institution to offer the product; and
- 3) The proposal should be expanded to apply to a broad range of retirement plans such as 401(k) plans (and similar arrangements) without any maximum amount on the automatic rollover for a mandatory distribution.

We appreciate the opportunity to comment on the Proposed Regulations. If you would like to discuss further any of our comments you can reach me at (630) 368-5619.

Sincerely,

Gary A. Anetsberger  
Chief Operating Officer