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Sent: Sunday, October 08, 2006 4:25 PM
To: EBSA, E-ORI - EBSA
Subject: Default Investment Alternatives Proposed Regulations

Proposed Regulation Section 2550.404c-5(c)(3) mandates notice to affected defaulting participants "of at least 30 days in advance of the first such investment". In a plan utilizing the auto-enrollment provisions of the Pension Protection Act of 2006 that also has immediate eligibility for purposes of employee deferrals, the 30 day advance notice would be impossible to meet. An alternative is to allow for the notice to be sent on the earlier of at least 30 days in advance of the first investment or on the employee's first day of employment. This will allow immediate auto-enrollment plans to have 404(c) protection on their default investment alternative without having to give up immediate eligibility.

Sincerely,

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