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Mr, Joe Canary
Deputy Director
Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Investment Advice Regulations and Class Exemption
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Filed by e-ORI@dol.gov

Dear Joe:

Fiduciary Risk Management ("FRM") appreciates the opportunity to comment on the proposed regulations and class exemption published on August 22, 2008. Our firm provides ERISA Title I consulting and we see these proposed disclosure regulations as important steps in the right direction.

The proposed class exemption deals with a program where a participant receives investment advice based on a computer program. We urge the Department to include any non-computer based advice. Any materials, notes and work-papers used by a fiduciary advisor to a plan participant should be available for the initial and annual audits under (f) and (d)(2).

We concur with the Department to exempt self directed brokerage windows and company stock from being a prohibited transaction with one additional comment. We urge that the providers of such windows still be required to disclose fees and any materials urging participants to use that feature as opposed to the investment vehicles offered in the plan. Any effort on the part of a provider offering a brokerage window to not disclose fees, promotional materials or any advice given to participations should be cause to remove the exemption. We see continued abuse in self-directed brokerage accounts and any promotion to get participants to use the window option should be disclosed to and reviewed by plan fiduciaries. Any investment advice provided through a plan's brokerage window should be given the same scrutiny as advice on the other investments in the plan.

We agree with the Department in paragraph (d)(2) of the proposed regulations, where a computer model must get written certification. Moreover, we urge the Department to consider requiring those providers utilizing a computer model be made to disclose how, when and why a revised version of the model is different that the one previously utilized.

We agree with the Department in (d)(3) about having an outside expert review and certify the models.

We are concerned about (j)(7)'s definition of material affiliation and (f)(3)'s applicability particularly as it applies to the independent audit. We believe that a material affiliation is compensation greater than $0. Any payment by an affiliate constitutes a conflict of interest and that defeats the purpose of independence.

We appreciate the opportunity to comment on these proposed regulations. They are an important building block to increased confidence in America's retirement system.

Sincerely,

Jessica R. Flores
Managing Director

Bert M. Carmody
Director of Consulting