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Sent: Tuesday, April 24, 2007 5:01 PM

To: EBSA, E-ORI - EBSA

Subject: Fees in 401k Plans

It is my understanding that you are soliciting insights regarding fees in 401k plans.

I have been in the investment industry for 27 years, and I specialize in providing services to 401k plans. Though plan fiduciaries are responsible for being aware of the fees within their plans, including "Paying only reasonable plan expenses" (DOL *Meeting Your Fiduciary Responsibilities* brochure, May 2004), many plan fiduciaries have little idea of what their fees actually are, let alone whether they are reasonable.

I believe the public would benefit from the creation and implementation of a SIMPLIFIED one page fee disclosure form that would:

- Accompany every single retirement plan proposal
- Be updated and distributed to the plan fiduciaries annually
- Be provided to plan participants and their beneficiaries prior to their enrollment in the plan, and on an annual basis thereafter

This form should include a breakdown of all fees being withdrawn from plan assets, including (but not limited to):

- Fees being paid to the underlying investment managers
- Recordkeeping fees
- Administration fees
- Financial intermediary fees (broker or advisor)
- Any other fees withdrawn from plan assets

In addition, this form should require each of the parties (recordkeeping, administration and financial intermediary) to state whether they are in a revenue neutral position, and if not, they should have to either state that they have a conflict of interest, or they should have to clearly articulate what their conflict of interest is.

I am not suggesting that fees across the board are inappropriate, as each of these parties deserves to be paid fairly for the services they provide. I do, however, believe the government should require this SIMPLIFIED fee disclosure to assist plan sponsors, participants and their beneficiaries in making competent decisions.

Please do not hesitate to contact me if I can be of help to you in any way regarding this important topic.

Respectfully,

Erik Swenson

adv

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