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Submitted Electronically

February 27, 2008

Mr. Bradford P. Campbell, Assistant Secretary
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Ave., NW
Washington, DC 20210

Re: **Proposed 408(b)(2) Regulations Hearings**

Dear Mr. Campbell:

The SPARK Institute, Inc.¹ respectfully requests the opportunity to testify before the Employee Benefits Security Administration (“EBSA”) at the hearings regarding the proposed amendment to the regulations under Section 408(b)(2) (the “Proposed Regulations”) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).² The SPARK Institute members include the retirement plan service providers, such as record keepers and investment fund managers, who will be directly affected by any new fee disclosure rules.

The SPARK Institute applauds EBSA for scheduling hearings regarding the Proposed Regulations. We support EBSA’s measured and flexible approach to fee disclosure in the retirement plan industry. Additionally, we support more robust fee disclosure and believe that greater fee transparency will ultimately not only benefit plan sponsors and plan participants, but also the retirement plan and investment management industries.

¹ The SPARK Institute represents the interests of a broad based cross section of retirement plan service providers, including members that are banks, mutual fund companies, insurance companies, third party administrators and benefits consultants. Our members include most of the largest service providers in the retirement plan industry and the combined membership services more than 95% of all defined contribution plan participants.

² 72 Fed. Reg. 70988 (December 13, 2007).

Set forth below is an outline of some of the issues that we intend to address in our testimony.

- A. What are the disclosure responsibilities and contract requirements of the various parties when a plan service provider (e.g., record keeper) maintains the records and facilitates investments in a non-proprietary investment product (i.e., an unaffiliated mutual fund) for a plan?
- B. What are the disclosure responsibilities and contract requirements of the various parties when a plan service provider (e.g., record keeper) maintains the records and facilitates investments in a non-proprietary special asset or plan specific investment product for a plan?
- C. What are the disclosure responsibilities and contract requirements of the various parties when a plan service provider (e.g., record keeper) offers a participant directed brokerage account or window?
- D. What are the disclosure responsibilities and contract requirements of the various parties when a plan service provider (e.g., record keeper), at the direction of a plan sponsor, makes payments to a third party (e.g., a broker or TPA) that is not considered to be part of the service provider's bundled arrangement?
- E. Service providers should be obligated to notify plans about a change in their compensation from a fund company or investment provider within 90 days of the later of actual knowledge of the change, the effective date of the change, or the date on which the agreement or amendment to the agreement with the fund company is executed.
- F. The regulations should allow generic disclosure for certain non-cash amounts (e.g., gifts, awards and trips) received by a service provider that are not intended as compensation for plan services.
- G. What are the responsibilities and alternatives available to a service provider that is unable to get a plan sponsor to execute a new or amend an existing services agreement that is required under the Proposed Regulations?
- H. The final regulations should expressly state that IRAs are not subject to the 408(b)(2) regulations.
- I. The effective date in the Proposed Regulations should be modified and should include a longer transition and compliance period for existing arrangements between plan sponsors and service providers.
- J. The provisions under the Proposed Regulations regarding requests for information in connection with plan reporting and disclosure requirements should be limited to reasonable requests made by plan sponsors.

The SPARK Institute appreciates EBSA's consideration of this request and we look forward to the opportunity to testify at the hearing. If you have any questions or need additional information regarding this request, please feel free to contact us at (704) 987-0533.

Respectfully,

A handwritten signature in black ink, appearing to read "L. Goldbrum", followed by a long horizontal line extending to the right.

Larry H. Goldbrum
General Counsel

cc: Robert Doyle (EBSA)
Lou Campagna (EBSA)
Kristen Zarenko (EBSA)
Thomas G. Schendt (Alston & Bird)