Evergreen Investments℠

Office of Exemption Determinations
Employee Benefits Security Administration
Room N-5700, U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210
Attention: IRA Investment Advice RFI

VIA ELECTRONIC DELIVERY

Re: **Response to Request for Information Regarding the Availability of Computer Model Investment Advice Programs for Individual Retirement Accounts – Evergreen Funds.**

Dear Ladies and Gentlemen:

In response to the letter dated December 12, 2006 from Director Ivan Strasfield and addressed to Dennis Ferro of Evergreen Funds, we have reviewed the questions set out in the Department of Labor's Request for Information concerning the feasibility of a computer model investment advice program for individual retirement accounts ("IRAs"). We have been asked to respond to the Request for Information on Mr. Ferro's behalf.

Evergreen Investments is the investment management division of Wachovia Corporation, and serves as investment adviser to the Evergreen family of mutual funds (collectively known as the "Evergreen Funds"). Evergreen Investments has nearly $300 billion assets under management, 91 mutual funds, and approximately 3 million shareholders in such funds. IRAs may take advantage of Evergreen's mutual funds, hedge funds, and other investment products as investment options. However, Evergreen does not offer a "computer model investment advice program" as described in the Request for Information, nor does it have a "computer model investment advice program" that it believes can be altered or enhanced to fit within the requirements. Our responses to the specific questions asked are set out below.

1. Are there computer model investment advice programs for the current year and preceding year that are, or may be, utilized to provide investment advice to beneficiaries of plans described in section 4975(e)(1)(B)-(F) (and so much of subparagraph (G) as relates to such subparagraphs) (hereinafter "IRA") of the Code which:

*(a)	Apply generally accepted investment theories that take into account the historic returns of different asset classes over defined periods of time;*

*(b)	Utilize relevant information about the beneficiary, which may include age, life expectancy, retirement age, risk tolerance, other assets or sources of income, and preferences as to certain types of investments;*

*(c)	Operate in a manner that is not biased in favor of investments offered by the fiduciary adviser or a person with a material affiliation or contractual relationship with the fiduciary adviser;*

*(d)	Take into account the full range of investments, including equities and bonds, in determining the options for the investment portfolios of the beneficiary; and*

*(e)	Allow the beneficiary, in directing the investment, sufficient flexibility in obtaining advice to evaluate and select investment options.*

Evergreen does not currently offer a computer model investment advice program that satisfies all of the criteria set forth above.   One of Wachovia Corporation's subsidiaries does offer a computer model program that can provide a client with asset allocation models. However, this product does not make specific recommendations regarding the investment products that would be used to implement a particular asset allocation model and we believe it would be impossible to reprogram this product so that it complies with all of the criteria set forth above.

*2.	If currently available computer models do not satisfy all of the criteria described above, which criteria are presently not considered by such computer models? Would it be possible to develop a model that satisfies all of the specified criteria? Which criteria would pose difficulties to developers and why?*

Evergreen does not currently offer a computer model investment advice program that satisfies all of the criteria set forth in Question 1. However, we believe that it would be, if not impossible, prohibitively difficult and expensive to develop a program that satisfies subsection (d) of Question 1, in particular. In addition, we are concerned that a program that permits the flexibility described in subsection (e) of Question 1 and covers the range of investments described in subsection (d) of Question 1 may cause issues under securities laws, in particular with respect to the duties of determining "suitability" of investments, based on the client's goals and objectives.

*3.	If there are any currently available computer model investment advice programs meeting the criteria described in Question 1 that may be utilized for providing investment advice to IRA beneficiaries, please provide a complete description of such programs and the extent to which they are available to IRA beneficiaries.*

Evergreen does not currently offer a computer model investment advice program that satisfies all of the criteria set forth above.

4.   With respect to any programs described in Question 3, do any of such programs permit the IRA beneficiary to invest IRA assets in virtually any investment? If not, what are the difficulties, if any, in creating such a model?

Evergreen does not currently offer a computer model investment advice program that satisfies all of the criteria set forth above.

5.   If computer model investment advice programs are not currently available to IRA beneficiaries that permit the investment of IRA assets in virtually any investment, are computer model investment advice programs currently available to IRA beneficiaries that, by design or operation, limit the investments modeled by the computer program to a subset of the investment universe? If so, who is responsible for the development of such investment limitations and how are the limitations developed? Is there any flexibility on the part of an IRA beneficiary to modify the computer model to take into account his or her preferences? Are such computer model investment advice programs available to the beneficiaries of IRAs that are not maintained by the persons offering such programs?

Evergreen is not aware of any computer model investment advice program that is being offered to IRAs.

6.   If you offer a computer model investment advice program based on nonproprietary investment products, do you make the program available to investment accounts maintained by you on behalf of IRA beneficiaries?

Evergreen is not aware of any computer model investment advice program that is being offered to IRAs.

7.   What are the investment options considered by computer investment advice programs? What information on such options is needed? How is the information obtained and made part of the programs? Is the information publicly available or available to IRA beneficiaries?

Evergreen is not aware of any computer model investment advice program that is being offered to IRAs.

8.   How should the Department or a third party evaluate a computer model investment advice program to determine whether a program satisfies the criteria described in Question 1 or any other similar criteria established to evaluate such programs?

Because Evergreen is not aware of any computer model investment advice program that is being offered to IRAs, we do not have a basis for answering this question.

9.   How do computer model investment advice programs present advice to IRA beneficiaries? How do such programs allow beneficiaries to refine, amend or override provided advice?

Evergreen is not aware of any computer model investment advice program that is being offered to IRAs.

We appreciate the opportunity to provide the Department of Labor information in connection with this important issue. We believe that it is important that IRA owners receive appropriate advice in connection with the investment of their IRAs, when they so choose. If we may provide additional information, please do not hesitate to contact us.

Very truly yours,

Michael H. Koonce
Senior Vice President and General Counsel
Evergreen Investments