From: cherninjosh@netscape.net [mailto:cherninjosh@netscape.net]
Sent: Sunday, July 27, 2008 2:08 PM
To: EBSA, E-ORI - EBSA
Subject: Comments on Proposed Changes in 401K Plans

To Whom it May Concern:

I have been closely following my company's 401K plan for years and been dismayed by the results. Thank you for these proposed changes. I have the following comments:

1. It's an excellent idea to require investment performance benchmarking. However, suggesting that the comparison be to the standard 1, 5, and 10-year periods misses the fact that the only relevant period of comparison to Plan Participants is during the time that the fund(s) were available in their plan. There's no point in advertising a 10-year return if the fund has only been available for two years, and the performance of that fund can't be compared to one- and five-year returns, either. There is a great deal of fund turnover in Plans; many funds in the plans are available for periods of just two or three years because the Providers have an incentive to churn them. The benchmark comparisons (e.g., S&P 500 Index) are widely available in a form that allows trustees to select "from" and "to" dates that can be matched to relevantly compare to the periods of time when a fund was available to Participants.

2. The fees (which amount to bribes) that fund managers pay to be included in Providers' platforms--commonly called 12-b-1 fees--should be separately documented.

3. The most conservative investments, often called GICs (Guaranteed Investment Contracts) are often also hidden within other funds, usually Target-date funds or funds that are advertised as matching certain investment criteria such as "aggressive" or "conservative". They are generally poor investments and need to be highlighted if they are also contained within other offerings in Plans.

Thank You again.
Sincerely.
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