From: larrypok@netzero.com [mailto:larrypok@netzero.com]
Sent: Friday, July 16, 2010 10:44 PM
To: EBSA, E-ORI - EBSA
Subject: Defined contribution plans

Hello,
Did this work for years with some very large 401(k) plans. Application programming including system rewrites on mainframes, run cycles, income allocation, loans, year end test(s), payroll interface, trust accounting, adjustments, transfers, QDRO's, mail outs, phone customer service, you name it, I did it.

Did it for plans American Airlines, John Hancock, GPU, Chase, etc. by National FSI and Alexander and Alexander.

Our expenses were always too high. The year we lost American the proposal was almost doubled to over a million a year, income allocated prorata after expenses across balances. They had no idea of the real costs. And when American started the plan they got by agreement the start up costs back over the next few years out of the income that would have gone to participants so the plan cost them nothing to sponsor it. Ongoing costs are as I stated above.

The thing that cost participants the most income is in fact the 4 times a year transfer rule as is common. Imagine for just a moment that you have a brokerage account and you trade stocks. But only 2 weeks at the end of each quarter you are allowed to buy and sell, then are locked in for the next quarter. By design you will lose money with such a small window of opportunity.

I currently have a brokerage account. I have used Schwab, E-trade, and Scottrade. All about the same. But I would never do this under such a restriction unless I just wish to throw my money away. I tell you the truth, I did financial system work for 19 years including Fidelity Investments, Bank of America, Unisys, Lone Star Gas, Employer's Casualty Co, Dallas County Data Services, etc. plenty as a contractor.

Good luck. You have the right or near right opinion. Larry.