

From: Linda N Kenny [mailto:LKenny@binghammchale.com]
Sent: Monday, October 09, 2006 4:43 PM
To: EBSA, E-ORI - EBSA
Subject: default investment regulation issued 9/27/2006

To whom it may concern,

The 30-day advance notice requirement is not workable for a plan that auto enrolls as of date of hire. An exception needs to be made if the notice is given with an employee's offer letter or as of date of hire. In order to maximize retirement savings, it's important that the pre-tax savings come out with the first paycheck so that an employee never gets use to the higher paycheck. If an employer gives the notice as of date of hire, then has to wait 30 days, the employee will see his paycheck go down, and it will likely cause an issue and frankly increase the likelihood that the employee will decrease his savings percentage to zero.

Please address this issue and make it easier for employers to comply with the spirit of the new rule.

Respectfully submitted,

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