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October 27, 2006

Mr. Tom Reeder
Benefits Tax Counsel
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW, Room 3044
Washington, DC 20220

Re: **Pension Protection Act of 2006**

Dear Tom:

The SPARK Institute appreciates the efforts of the U.S. Department of the Treasury (the "Treasury") to collaborate with retirement plan industry organizations in connection with setting regulatory project priorities for the Pension Protections Act of 2006 ("PPA"). We appreciate the significant undertaking that the Treasury and other regulatory agencies will be faced with during the coming years.

Our membership is comprised of the retirement plan service providers who are responsible for guiding retirement plan sponsors through the technical and administrative aspects of the PPA, and will also be responsible for updating their products, services and systems in order to facilitate implementation and compliance of the new laws and regulations. Accordingly, the successful implementation of the new laws will depend on, among other things, the ability of retirement plan service providers to cost effectively and promptly educate their plan sponsor customers and make necessary changes. Certain aspects of the PPA will require system changes and as you know such changes require greater advance notice and guidance. Based on the information provided to us by our members, we have limited our list to some pressing documentation issues. To that end, The SPARK Institute requests that Treasury give immediate attention to the following issues.

I. Interim Amendment Guidance

The SPARK Institute is pleased with the 2009 delayed amendment deadline in PPA Section 1107. Our interpretation of the statute is that the extended deadline applies to both optional PPA features (e.g., adding the non-spouse rollover feature from PPA Section 829, expanded hardship availability under PPA Section 826) and mandatory changes (e.g., such as faster vesting for employer contributions under PPA Section 904). We request that the Treasury confirm our interpretation that both optional and mandatory features fall within the scope of PPA Section 1107.

The SPARK Institute also requests guidance on the ability of retirement plan sponsors to adopt interim amendments for pre-approved plans. While completing GUST amendments, many plan sponsors found it difficult to determine when they began operationally using the provisions. As such, plan sponsors may find it easier to track the dates for operational compliance with PPA by adopting a formal plan amendment (e.g., after-tax rollovers, non-spouse beneficiary rollovers, expanded hardship availability, vesting schedule changes). We believe Rev. Proc. 2005-66 allows plan sponsors to make good faith amendments to pre-approved plans but we are concerned that a particular amendment would not meet IRS standards. To that end, The SPARK Institute requests that the Department provide sample text for such amendments or provide that some leniency will be granted with respect to good faith amendments drafted for plan sponsors. In addition, any consideration or guidance regarding the availability of a group correction for a pre-approved plan provider to modify a good faith amendment for a large group would be appreciated.

II. Updated 402(f) Notice - Effective January 1, 2007

Many retirement plan service providers use the notice required under 402(f) as the primary communication to participants about the tax ramifications of taking various types of distributions from qualified plans. The current IRS model 402(f) notice has not yet been updated to address Roth 401(k)s, Roth 403(b)s, or automatic rollover rules to a default IRA. With the PPA changes to distributions effective on January 1, 2007 (e.g., non-spouse rollover option, after-tax rollovers to dissimilar plans, warning regarding consequences if elect not to defer payments), The SPARK Institute believes that those changes, as well as changes for Roth and automatic rollover rules, should be reflected in a newly revised 402(f) notice. As such, The SPARK Institute is willing, upon request, to provide the Treasury with a model updated 402(f) notice for your review and consideration.

We thank you for this opportunity to provide our perspective on these matters. If you have additional questions, or need additional information regarding these or any other PPA regulatory issues, please do not hesitate to contact us at (860) 658-5058.

Respectfully,

/s/

Robert G. Wuelfing
President

/s/

Larry H. Goldbrum
General Counsel