

MEMO# 20808

January 25, 2007

Draft ICI Comment Letter in Response to DOL Request for Information on Investment Advice for IRAs; Comments Due Monday, January 29

[20808]

January 25, 2007

TO: PENSION COMMITTEE No. 3-07
PENSION OPERATIONS ADVISORY COMMITTEE No. 3-07 RE: DRAFT ICI COMMENT LETTER
IN RESPONSE TO DOL REQUEST FOR INFORMATION ON INVESTMENT ADVICE FOR IRAS;
COMMENTS DUE MONDAY, JANUARY 29

Attached for your review is a draft comment letter in response to the Department of Labor's request for information on investment advice for IRAs. [\[1\]](#) The letter reports the results of our informal survey of committee members, namely that all respondents indicated that their firm did not offer a computer model for IRAs that meets the DOL's requirement to be "feasible," including the requirement to take into account the full range of investment options available to IRAs.

The letter urges DOL to report its findings to Congress, as required by the PPA, quickly, and begin work on the class exemption. The letter states that the foundation of a class exemption should be robust upfront and ongoing disclosures of the financial interests and investment affiliations of the fiduciary adviser. [\[2\]](#)

Because comments are due to the Department of Labor by January 30, 2007, we ask for your comments by Monday, January 29, 2007. [\[3\]](#) Please contact the undersigned at

202/326-5821 or mhadley@ici.org or Mary Podesta at 202/326-5826 or podesta@ici.org with your comments or questions.

Michael L. Hadley
Assistant Counsel

[Attachment](#)

endnotes

[1] See [Memorandum](#) to Pension Committee No. 39-06 and Pension Operations Advisory Committee No. 37-06 [20655], dated December 6, 2006.

[2] We anticipate seeking input from Committee members on specifics of the class exemption in the future.

[3] The RFI released in the Federal Register stated the deadline for comments is January 30, 2007. Those financial institutions identified as in the top 50 trustees of IRAs received a letter dated December 12, 13, or 14, 2006 indicating that comments were due 60 days from the date on the letter. The Institute has confirmed with DOL that the deadline for institutions that received the letter is in fact 60 days from the date on their letter and January 30, 2007 for everyone else.

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