

**MEMO# 8441**

December 6, 1996

## **DOL PUBLISHES PROPOSED CLASS EXEMPTION FOR BANK COLLECTIVE FUND CONVERSIONS**

December 6, 1996 TO: PENSION COMMITTEE No. 47-96 RE: DOL PUBLISHES PROPOSED CLASS EXEMPTION FOR BANK COLLECTIVE FUND CONVERSIONS

The Department of Labor has published a proposed class exemption from ERISA's prohibited transaction rules to permit the in-kind transfer of benefit plan assets from a bank collective investment fund to a bank-affiliated, no-load mutual fund when the bank is converting the collective investment fund into a mutual fund. Previously, banks serving in a fiduciary capacity have sought individual exemptions for such plan asset transfers. The proposed exemption also would provide retroactive exemptive relief for such conversion transactions occurring from October 1, 1988 until the date the final class exemption is published. Comments regarding the proposed class exemption must be submitted to the Department on or before January 13, 1997. The Institute intends to submit a letter in support of the issuance of the class exemption. If you have any comments that you would like the Institute to raise in its submission, please bring them to our attention by Friday, January 3. Russell G. Galer Assistant Counsel - Pension Enclosure

---

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.