

MEMO# 19865

March 17, 2006

DOL Requests Comments on Information Collection Under Class Exemption for Passive Cross-Trades

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TO: PENSION COMMITTEE No. 9-06 PENSION OPERATIONS ADVISORY COMMITTEE No. 8-06
RE: DOL REQUESTS COMMENTS ON INFORMATION COLLECTION UNDER CLASS EXEMPTION FOR PASSIVE CROSS-TRADES The Department of Labor has requested comments, under the Paperwork Reduction Act of 1995, on the information collection requirements of Prohibited Transaction Class Exemption 2002- 12, Cross-Trades of Securities by Index and Model-Driven Funds.¹ The Federal Register notice is attached. The current information collection requirements of PTE 2002-12 were approved by the Office of Management and Budget (OMB) when the class exemption was granted in 2002. The OMB approval is scheduled to expire on June 30, 2006. After considering any comments received in response to this notice, DOL will submit the information collection requirements to OMB for continuing approval. Comments must be submitted to DOL by May 8, 2006. Specifically, DOL is interested in comments that: • Provide information related to the number of entities offering Index and Model-Driven Funds and their client plans, and the number of Large Accounts (as defined in the exemption) that may make use of the exemption; • Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the DOL, including whether the information will have practical utility; • Evaluate the accuracy of the DOL's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; • Enhance the quality, utility, and clarity of the information to be collected; and 1 71 Fed. Reg. 11679 (March 8, 2006). See Memorandum to Pension Members No. 5-02 [14453], dated February 12, 2002. 2 • Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses. The Institute is considering submitting comments to DOL. If your firm makes use of the class exemption for Index and Model-Driven funds and you would like to provide suggestions for a comment letter, please contact me by April 13, by e-mail at ebarone@ici.org, by phone at 202-326- 5821, or by fax at 202-326-5841. Elena Barone Assistant Counsel Attachment (in .pdf format)

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