

**Fiduciary
Trust
International**

Fiduciary Trust Company International
600 Fifth Avenue
New York, New York 10020-2302
(212) 632-3000

WENDY L. HARRINGTON
Executive Vice President and Chief Operating Officer

January 27, 2007

Office of Exemption Determinations
Employee Benefits Security Administration, Room N-5700
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Attention: IRA Investment Advice RFI

VIA Electronic delivery

RE: Request for information on investment computer models for Individual Retirement Account beneficiaries

Dear Ladies and Gentlemen:

In response to your letter dated December 12, 2006 and request for information regarding the availability or feasibility of any computer program specifically designed to assist investment managers of Individual Retirement Accounts, Fiduciary Trust Company International ("FTCI") has prepared the following responses:

Question 1:

Are there computer model investment advice programs for the current year and preceding year that are, or may be, utilized to provide investment advice to beneficiaries of plans described in section 4975(e)(1)(B)-(F) (and so much of subparagraph (G) as relates to such subparagraphs) (hereinafter "IRA") of the Code which:

- (a) Apply generally accepted investment theories that take into account the historic returns of different asset classes over defined periods of time;*
- (b) Utilize relevant information about the beneficiary, which may include age, life expectancy, retirement age, risk tolerance, other assets or sources of income, and preferences as to certain types of investments;*
- (c) Operate in a manner that is not biased in favor of investments offered by the fiduciary adviser or a person with a material affiliation or contractual relationship with the fiduciary adviser;*
- (d) Take into account the full range of investments, including equities and bonds, in determining the options for the investment portfolios of the beneficiary; and*
- (e) Allow the beneficiary, in directing the investment, sufficient flexibility in obtaining advice to evaluate and select investment options.*

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Answer:

FTCI does not use and is not aware of any computer model investment advice programs, as described in Question 1, that are or may be utilized to provide investment advice to beneficiaries of IRAs.

Question 2:

If currently available computer models do not satisfy all of the criteria described above, which criteria are presently not considered by such computer models? Would it be possible to develop a model that satisfies all of the specified criteria? Which criteria would pose difficulties to developers and why?

Answer:

Since FTCI does not currently use an automated model for assisting investment managers in providing advice to beneficiaries of IRAs, it cannot, therefore, effectively respond to the question of which criteria its models do not consider. FTCI believes that certain criteria, such as the age and risk tolerance of the beneficiary, could be and may have been incorporated into automated models, but that other criteria, which are more difficult to measure, such as emotional considerations, interaction of a particular investment with other investments and/or insurance, and managing concentrated positions, might be more difficult to incorporate into an automated model.

Question 3:

If there are any currently available computer model investment advice programs meeting the criteria described in Question 1 that may be utilized for providing investment advice to IRA beneficiaries, please provide a complete description of such programs and the extent to which they are available to IRA beneficiaries.

Answer:

Since FTCI does not use and is not aware of any currently available computer model investment advice programs that meet the criteria described in Question 1 above, it is unable to respond to Question 3.

Question 4:

With respect to any programs described in response to Question 3, do any of such programs permit the IRA beneficiary to invest IRA assets in virtually any investment? If not, what are the difficulties, if any, in creating such a model?

Answer:

Since FTCI does not use and is not aware of any currently available computer model investment advice programs described in Question 3, it is unable to respond to Question 4.

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Question: 5

If computer model investment advice programs are not currently available to IRA beneficiaries that permit the investment of IRA assets in virtually any investment, are there computer model investment advice programs currently available to IRA beneficiaries that, by design or operation, limit the investments modeled by the computer program to a subset of the investment universe? If so, who is responsible for the development of such investment limitations and how are the limitations developed? Is there any flexibility on the part of an IRA beneficiary to modify the computer model to take into account his or her preferences? Are such computer model investment advice programs available to the beneficiaries of IRAs that are not maintained by the persons offering such programs?

Answer:

Since FTCI has not performed an assessment of any computer model investment advice programs that may be appropriate for use by or on behalf of IRA beneficiaries, it is unable to respond to Question 5.

Question 6:

If you offer a computer model investment advice program based on nonproprietary investment products, do you make the program available to investment accounts maintained by you on behalf of IRA beneficiaries?

Answer:

FTCI does not offer or make available any such computer model investment advice program to any investment accounts.

Question 7:

What are the investment options considered by computer investment advice programs? What information on such options is needed? How is the information obtained and made part of the programs? Is the information publicly available or available to IRA beneficiaries?

Answer:

Since FTCI does not use any computer investment advice programs, it has not performed an assessment of any such program and is unable to respond to Question 7.

Question 8:

How should the Department or a third party evaluate a computer model investment advice program to determine whether a program satisfies the criteria described in Question 1 or any other similar criteria established to evaluate such programs?

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Answer:

Given that FTICI has neither performed nor considered the elements involved in such an evaluation, it is not prepared to give advice as to how to evaluate a computer model investment advice program to determine whether it satisfies the criteria described in Question 1 or any other similar criteria.

Question 9:

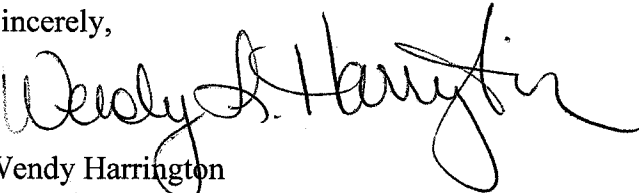
How do computer model investment advice programs present advice to IRA beneficiaries? How do such programs allow beneficiaries to refine, amend or override provided advice?

Answer:

Since FTICI does not use and has not performed an assessment of any computer model investment advice program for use by or on behalf of IRA beneficiaries, it is unable to respond to Question 9.

If you have any further questions regarding our response to the Department of Labor's request for information, please contact me at (650) 312-2543.

Sincerely,



Wendy Harrington
Executive Vice President and
Chief Operations Officer