

News Release



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Labor Department Issues Final Rule Streamlining Registration By Investment Managers To Plans

WASHINGTON – The U. S. Department of Labor's Employee Benefits Security Administration (EBSA) today issued a final rule requiring state-registered investment advisers who are seeking investment manager status under federal benefits law to register electronically through the Investment Adviser Registration Depository (IARD).

"Our rule allows plan fiduciaries to consult a single source to find out whether an investment advisor is registered, while also streamlining the process through the elimination of paper filings," said Ann L. Combs, Assistant Secretary of EBSA.

Under the Employee Retirement Income Security Act (ERISA), plan trustees are relieved of certain liabilities relating to management of plan assets by a registered investment adviser, bank or insurance company that meet certain requirements to be appointed an investment manager for an ERISA-covered plan.

The IARD is a centralized electronic filing system for investment advisers created by the Securities and Exchange Commission (SEC) and state securities regulators. A majority of state-registered investment advisers who are investment managers of ERISA-covered plans already file registration forms electronically through the IARD.

The final rule will apply to investment adviser registration filings due on or Oct. 25, 2004. The final rule also contains a conforming amendment to an EBSA Interpretative Bulletin on fiduciary responsibility, which deals with when registered investment advisers are eligible to be ERISA investment managers.

The final regulation is to be published in the Aug. 24, 2004 *Federal Register*.

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