February 1, 2007

Mr. Ivan L. Strasfeld,
Director
Office of Exemption Determinations
Employee Benefits Security Administration, Room N-5700
U.S. Department of Labor
200 Constitution Avenue, NW.,
Washington, D.C. 20210

Attention: IRA Investment Advice RFI

Re: Request for Information Regarding the Feasibility of Applying Computer Model Investment Advice Programs for IRAs

Dear Mr. Strasfeld:

The Bank of New York Company, Inc. ("BNY") is pleased to respond to your letter of December 13, 2006 (the "Letter") and the request for information ("RFI") of the Department of Labor. The Letter seeks information regarding the experience of financial institutions that use a computer model to provide investment advice to participants and beneficiaries of Individual Retirement Accounts and similar plans (collectively, "IRAs").

BNY provides a comprehensive array of services that enable institutions and individuals to move and manage their financial assets in more than 100 markets worldwide. These services include trustee, custodial and investment advisory services to IRAs. We note, however, that in providing investment advisory services to IRAs, BNY does not use a computer model investment advice program of the type described in Section 601 of the Pension Protection Act of 2006. In fact, we are skeptical that a computer model meeting all of the criteria set forth in Question 1 of the RFI is feasible. We do not believe that the other questions posed in the RFI, all of which relate to the operation of computer model investment advice programs, apply to our investment advisory business.
We recommend the Department of Labor establish a far broader class exemption which provides IRA beneficiaries with access to the best investment advice available consistent with their financial situation and investment objectives, regardless of the particular investment program or model utilized. Fiduciary advisers should be held to a stringent standard of care, but be permitted, and incentivized, to develop innovative investment programs to assist IRA beneficiaries to reach their retirement goals. We would welcome the opportunity to participate in discussions with the Department of Labor in order to more fully explore a possible class exemption.

We hope this response fully addresses your request as expressed in the Letter and RFI. If you have any questions about our response, please feel free to contact Jennifer E. Lindenbaum at (212) 237-0980.

Sincerely,

Kevin Banpon
Executive Vice President and Chief Investment Officer