



News Release

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CONTACT: Jeff Close, The SPARK Institute
860-658-5058

THE SPARK INSTITUTE ISSUES BEST PRACTICES FOR FREQUENT TRADING MONITORING BY RETIREMENT PLAN RECORD KEEPERS

Guidelines Designed to Support Compliance with SEC Rule 22c-2

SIMSBURY, CT, June 29 -- The SPARK Institute has developed best practices for frequent trading monitoring by retirement plan record keepers, it was announced today by Robert G. Wuelfing, SPARK Institute president.

“These best practices are intended to help record keepers facilitate better frequent trading monitoring within retirement plans so they are able to support their mutual fund trading partners in complying with Securities and Exchange Commission Rule 22c-2,” Wuelfing said. He also noted that the best practices will minimize the number of alternatives required for compliance and thereby reduce administrative complexity and confusion among service providers, plan sponsors and participants, while offering a practical and cost effective approach for the retirement plan and mutual fund industries to address these issues.

According to Larry Goldbrum, general counsel of The SPARK Institute, “The best practices were developed based on a review of current industry practices, and responses to a survey conducted among SPARK Institute members, including companies that are retirement plan record keepers and mutual fund managers.” He said they are intended to be used in conjunction with the sample contract language previously developed by The SPARK Institute for agreements between fund companies and retirement plan record keepers that are required by Rule 22c-2.

Goldbrum said the best practices cover the following aspects of frequent trading monitoring:

- Transactions Subject to Monitoring
- Round Trip Identification Period
- Monitoring Period
- Participant Warning Notices
- Purchase Restriction Period
- Restoration of Trading Privileges
- Reporting to Funds
- Trading Restrictions
- Plan Sponsor and Participant Communications

Copies of The SPARK Institute's best practices for frequent trading monitoring and its sample contract language are available by contacting the Institute at 860-658-5058.

The SPARK Institute is the leading voice in Washington for the retirement services industry. Through the combined expertise of its member companies, The SPARK Institute provides research, education, testimony and comments on pending legislative and regulatory issues to members of Congress and relevant government agency officials. This disciplined process and resulting solutions help shape America's retirement future.

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