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DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Prohibited Transaction Class Exemption for Certain Transactions Between Investment Companies and Employee Benefit Plans (PTE 1977-4)

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Employee Benefits Security Administration (EBSA)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that the agency receives on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT: Michael Howell by telephone at 202-693-6782, or by email at DOL_PRA_PUBLIC@dol.gov.

SUPPLEMENTARY INFORMATION:

PTE 77-4, which was originally granted on April 8, 1977, exempts from the prohibited transaction restrictions the purchase and sale by an employee benefit plan of shares from a registered, open-end investment company (mutual fund) when a fiduciary of the plan (e.g., an investment manager) is also the investment advisor for the investment company.

There are three disclosure requirements incorporated within the class exemption. The first requirement is intended to put the plan on notice of possible fees associated with the redemption of open-end mutual fund shares. It requires disclosure of any redemption fees in the current prospectus of the open-end mutual fund (the prospectus in effect at the time of the plan's acquisition or disposal of such shares). The class exemption permits a plan to pay a redemption fee on the sale, by redemption, of open-end mutual fund shares only if the fee is paid to the open-end mutual company and the above noted disclosure is made.

The second requirement is that, at the time of the purchase or sale of such mutual fund shares, an independent fiduciary receive a copy of the current prospectus issued by the open-end mutual fund and full written disclosure of the investment advisory fees charged to or paid by the plan and the open-end mutual fund to the investment advisor. Pursuant to advisory opinion 2013-04A, the Department interprets the term "prospectus" in PTE 77-4 to include a "summary prospectus" if the summary prospectus meets the requirements of the Securities and Exchange Commission's revised disclosure provisions for mutual funds including a summary prospectus rule that were published in 2009. Pursuant to the SEC's revised disclosure provisions, mutual funds also are required to send the full prospectus to the investor upon an investor's request, and to provide the full prospectus on-line at a specified internet site.

The third requirement is that the independent fiduciary be notified of any changes in the fees and approves in writing the plan's purchase or sale of affected mutual fund shares, or the plan's continued possession of any such mutual fund shares that it had acquired before the fee changes. For additional substantive information about this ICR, see the related notice published in the *Federal Register* on July 11, 2025 (90 FR 30984).

Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Department, including

whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. *See* 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

Agency: DOL-EBSA.

Title of Collection: Prohibited Transaction Class Exemption for Certain Transactions Between Investment Companies and Employee Benefit Plans (PTE 1977-4).

OMB Control Number: 1210-0049.

Affected Public: Private sector.

Total Estimated Number of Respondents: 785.

Total Estimated Number of Responses: 319,848.

Total Estimated Annual Time Burden: 27,046 hours.

Total Estimated Annual Other Costs Burden: \$0.

(Authority: 44 U.S.C. 3507(a)(1)(D))

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