

ICI Comment Letter on Proposed Amendment to Prohibited Transaction Class Exemption 84-14

On October 11, 2022, the Institute sent the attached comment letter to the Department of Labor (DOL) in response to its proposed amendments to Prohibited Transaction Class Exemption 84-14 ("PTE 84-14"), a longstanding exemption governing financial institutions acting as qualified professional asset managers (or QPAMs) for IRAs or employer-provided retirement plans.

PTE 84-14 allows QPAMs to cause a plan to engage in transactions in which a party in interest to the plan is involved in some manner. For financial institutions managing large pools of ERISA plan assets for multiple plans—and consequently many parties in interest—the PTE is often considered a practical necessity.

ICI's letter expresses significant concerns regarding the proposal and explains that the changes, if finalized, will make it more difficult and expensive to use the exemption, put the scope of its coverage in doubt, and in some instances actually harm the very interests of those parties it seeks to protect. The amendments will restrict the ability of the regulated community to make use of an exemption intended to facilitate efficient plan administration, and provide for favorable investments, to the detriment of retirement plans and their participants.

Read more in the [comment letter](#).
