

Morgan Lewis

MORGAN LEWIS RETAIL ADVICE WORKING GROUP

DOL Final Amendment to PTE 84-14, the “QPAM Exemption”

April 3, 2024

SAMPLE DOL SECTION 1(K) NOTICE AND INTERNAL QPAM TRACKING WORKSHEET

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INTRODUCTION

The Department of Labor’s (“DOL”) final amendment to PTE 84-14 (the “QPAM exemption”) was published in the Federal Register on April 3, 2024: <https://www.govinfo.gov/content/pkg/FR-2024-04-03/pdf/2024-06059.pdf>

- The changes will become effective on **June 17, 2024**.
- The final amendment requires QPAMs to notify the DOL of their reliance on the exemption.

We have prepared the following to assist in complying with the notification requirement:

- A sample notice email to send to the DOL.
- A QPAM tracking worksheet designed for firms to use internally to determine which asset management entities intend to rely on the exemption and track the date they notified the DOL of such reliance.

As always, we look forward to working with you and your teams, and we thank you for the opportunity to partner with you.

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Sample DOL Section I(k) Notice¹

To: QPAM@dol.gov

Date: [INSERT DATE]

Re: PTE 84-14/QPAM Initial Notification

In accordance with Section I(k) of PTE 84-14, we hereby notify you that [XYZ Inc.] (the “Manager”) expects that it may rely on PTE 84-14 in managing assets subject to the prohibited transaction rules of ERISA and/or Section 4975 of the Internal Revenue Code. The manager reserves the right to determine whether and to what extent it may rely on the exemption.

Manager’s Legal Name: [XYZ Inc.]

Manager’s Operating Name: [PDQ]

¹ Footnote 24 of the Adopting Release provides that a separate email is required for each entity claiming reliance on the exemption regardless of affiliation.

Internal QPAM Tracking Worksheet

This worksheet is intended to assist with an enterprise-wide review of asset management entities to identify which entities rely on the QPAM exemption and, if so, the date that the DOL was notified of such reliance.

Entity Legal Name	Entity DBA Name (if any)	Type of Entity (e.g., registered investment adviser, bank, insurance company)	Potential Reliance on QPAM Exemption? (See decision-tree analysis)	<i>If yes to potential reliance on QPAM Exemption:</i>		
				AUM as of current fiscal year end?	Owners' equity as of most recent balance sheet / guaranty?	Date of QPAM Notice to Department of Labor