



AMERICAN BENEFITS
COUNCIL

April 6, 2023

Submitted electronically via www.regulations.gov

Office of Exemption Determinations
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

RE: Proposed Amendment to Prohibited Transaction Class Exemption 84-14 (the QPAM Exemption), Z-RIN 1210 ZA07, Docket ID number EBSA-2022-0008

Dear Sir or Madam:

On behalf of the American Benefits Council (“the Council”), I am writing regarding the proposed amendment (the proposal) to prohibited transaction exemption 84-14 (the QPAM exemption).

As you know, we have submitted two comment letters regarding the proposal – dated October 11, 2022, and January 6, 2023 – and testified at the November 17, 2022, public hearing. Our core message has always been the same. Our comments were based entirely on the plan sponsor perspective. Our plan sponsor members have underscored to us how disruptive it is to the plan and its participants to lose the services of a trusted and well-performing QPAM. It is very harmful to be forced to give up this excellent relationship and engage in a lengthy and expensive search for a new investment manager with little or no history with the plan. By disqualifying a QPAM in cases where such treatment is not warranted, the proposal would harm many plans and their participants.

We strongly believe that all possible amendments to the QPAM exemption should be considered in the context of what is best for the plan and the plan participants. We live in a political world and there can be differing views on issues unrelated to plans

and participants. Fortunately, under ERISA, the task ahead of us here is to solely focus on how to maximize retirement security.

In that context, except in extreme cases, it does not make sense to take away an ERISA fiduciary's ability to retain a trusted QPAM who is serving the plan very well. As described in our prior comment letters, the proposal would go further and disqualify QPAMs in a very broad array of circumstances.

If adopted as proposed, the proposal would also prohibit QPAMs from consulting with parties in interest, including broker-dealers and other investment professionals, who could otherwise advance the interests of a QPAM's clients by bringing the QPAM valuable insights and opportunities. There is no reason for a prohibition like this, which harms plans and participants without a policy justification.

Our prior letters address these and other issues in much more detail. Our message today is that we urge you to consider QPAM exemption solely in the context of what ERISA was enacted to do: protect participants and maximize retirement security.

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Thank you for the opportunity to provide our views. If you have any questions or if we can be of further assistance, please contact me at 202-289-6700 or ldudley@abcstaff.org.

Sincerely,



Lynn D. Dudley
Senior Vice President, Global Retirement and Compensation Policy

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