

DOL Finalizes Changes to the QPAM Exemption, PTE 84-14

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PRACTICES Employee Benefits and Executive Compensation

The DOL recently finalized significant changes to its “Qualified Professional Asset Manager” Exemption (commonly known as the “QPAM Exemption”), which provides exemptive relief for investment funds that hold “plan assets” of plans and IRAs and are managed by a “qualified professional asset manager” (a “**QPAM**”) to engage in certain transactions that would otherwise be prohibited under ERISA and the Code (the “**Final QPAM Amendment**”). Retirement plan sponsors that have investment management agreements with QPAMs should be aware of these recent changes to the QPAM Exemption, which require: (i) a one-time filing to the DOL by the QPAM; (ii) increases to the equity capital, net worth, and assets under management thresholds for QPAMs; (iii) the inclusion of foreign crimes on the list of crimes that make a QPAM ineligible and a new category of “prohibited misconduct” and (iv) the addition of a six-year recordkeeping retention requirement for QPAMs.

To learn more about the Final QPAM Amendment, please read our Investment Management Minute article [here](#).

The Final QPAM Amendment will be effective June 17, 2024, and is available [here](#).