

DOL Information Letter Provides Companion Guidance to IRS Notice 2014-66

November 7, 2014

The U.S. Department of Labor (the “**DOL**”) released an Information Letter coincident with the IRS’s issuance of Notice 2014-66, confirming that the inclusion of unallocated deferred annuity contracts as fixed income investments within a series of TDFs as described in Notice 2014-66 would not cause the TDF series to fail to comply with the qualified default investment alternative rules applicable to TDFs under ERISA. The selection of unallocated deferred annuity contracts within a TDF series will satisfy the DOL’s annuity selection safe harbor under ERISA (the “**Annuity Safe Harbor**”) if the plan sponsor prudently selects and appropriately monitors the investment manager and the investment manager meets each condition of the Annuity Safe Harbor. Plan sponsors of defined contribution plans offering TDFs that include deferred annuities for older participants should carefully review Notice 2014-66 and the DOL Information Letter to ensure that their TDF arrangements meet the conditions discussed in each. A copy of the Information Letter is available [here](#).