

## DOL Issues Guidance Cautioning 401(k) Fiduciaries Against Offering Crypto as an Investment Option

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March 15, 2022

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The DOL issued guidance reminding responsible 401(k) plan fiduciaries of their ongoing duty to monitor investments and cautioning that the DOL "has serious concerns about the prudence of a fiduciary's decision to expose a 401(k) plan's participants to direct investments in cryptocurrencies, or other products whose value is tied to cryptocurrencies." The DOL listed five reasons why cryptocurrency investments and their derivatives (collectively, "**Crypto**") may not be a prudent selection at this time and threatened that 401(k) plan fiduciaries who allow Crypto as an investment option (even if through a brokerage window) "should expect to be questioned about how they can square their actions with their duties of prudence and loyalty." Accordingly, 401(k) plan fiduciaries who are contemplating including or retaining Crypto as a plan investment option should factor this DOL guidance into their decision-making process.

Compliance Assistance Release No. 2022-01 is available [here](#).