

# News Release



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Contact: David James or Gloria Della  
(202) 693-4676 (202) 693-8664

## **Labor Department Finalizes Qualified Professional Asset Manager Exemption**

**WASHINGTON**—The U. S. Department of Labor’s Employee Benefits Security Administration (EBSA) today adopted final amendments to update financial standards and streamline record-keeping requirements of a widely used class exemption available with respect to plans whose assets are managed by qualified professional asset managers (QPAMs).

“We have updated the exemption to increase the investment opportunities available to plans, allow greater efficiencies and lower costs,” said Ann L. Combs, assistant secretary of EBSA. “The revised rules will eliminate unnecessary barriers to plan investments in the financial marketplace.”

The department proposed the amendments in 2003. Prohibited Transaction Exemption 84-14 allows plans whose assets are managed by a QPAM to engage in a variety of transactions otherwise prohibited by the Employee Retirement Income Security Act, provided certain safeguards are met. Banks, insurance companies, savings and loans and investment advisors who are regulated by appropriate state or federal laws and meet certain financial standards are eligible to serve as QPAMs.

A separate amendment also was proposed to the class exemption that would allow in-house QPAMs to manage the assets of their own plans subject to additional safeguard to protect workers’ benefits.

The final amendments and proposed amendment to PTE 84-14 will be published in the Federal Register on Aug. 23, 2005.

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