

Publications

Regulatory Monitor: Department of Labor Update

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PUBLISHED

05/20/2022

SOURCE

The Investment Lawyer

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On December 21, 2021, the Department of Labor (“Department” or “DOL”) issued its “Supplemental Statement on Private Equity in Defined Contribution Plan Designated Investment Alternatives” (“Supplemental Statement”). The Department issued the Supplemental Statement in order to reinforce and clarify the guidance included in its June 3, 2020 Information Letter (“Information Letter”) regarding the inclusion in a participant-directed individual account plan (“Plan”) covered by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) of designated investment alternatives in which a portion of the alternative’s assets are invested in private equity (“PE”). In issuing the Supplemental Statement, the Department neither changed this view nor the helpful guidance in the Information Letter regarding how a plan fiduciary should go about meeting its fiduciary duties when selecting a designated investment alternative that includes a PE component.

In the *The Investment Lawyer* article, “Regulatory Monitor: Department of Labor Update,” Groom Principal [David Kaleda](#) explains the significance and contents of the “Supplemental Statement on Private Equity in Defined Contribution Plan Designated Investment Alternatives” (“Supplemental Statement”) issued by the DOL in December, including the Department’s own position with regard to such investment alternatives, and its emphasis on several important fiduciary principles discussed in the Information Letter.

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