

Publications

Technical Corrections to BIC and Principal Transactions Exemptions Released

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PUBLISHED

07/09/2016

SERVICES

Retirement Services

On July 7, 2016, the Department of Labor released technical corrections to the Best Interest Contract Exemption as well as to the Principal Transactions Exemption. As described in the attached client alert, these corrections attempt to address certain technical concerns raised by the retirement services industry.

Positive changes include:

- Clarification that an Adviser may rely on the BIC exemption even if it has discretion over some assets of a plan or IRA, so long as the Adviser does not have discretion over the transaction the BIC Exemption will be used to cover, and
- A change to the BIC Exemption's definition of "insurance company" to remove the problematic reference to annual independent actuarial reviews.

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