



DEPARTMENT OF LABOR

Employee Benefits Security Administration

[Prohibited Transaction Exemption 26-01; Application No. D-12061]

Exemption Involving the Liberty Latin America 401(k) Savings Plan (the Plan or the Applicant) Located in Denver, CO

AGENCY: Employee Benefits Security Administration, Labor.

ACTION: Notice of exemption.

SUMMARY: This document provides notice of an individual exemption from certain prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (ERISA) and/or the Internal Revenue Code of 1986 (the Code). This exemption permits the Plan's acquisition, holding and sale of certain stock rights the Plan received from Liberty Latin America Ltd. in September 2020.

DATES: Exemption date: This final exemption will be in effect as of September 10, 2020, through September 25, 2020.

FOR FURTHER INFORMATION CONTACT: Anna Vaughan, Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor, (202) 693-8565 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: The Plan previously submitted an exemption application to the Department requesting retroactive exemptive relief, for the period beginning September 10, 2020, and ending September 25, 2020, for: (1) the acquisition by the Plan from Liberty Latin America Ltd. (LLA), a party in interest to the Plan, of certain stock rights (the Rights) to purchase shares of Series C Liberty Latin America Ltd. (the Series C LLA Stock), in connection with a Rights offering by LLA (the Rights Offering); (2) the Plan's holding of the Rights during the subscription period of the Rights Offering (the Rights Offering Period); and (3) the sale, at the direction of the 401(k) Committee (the Committee) of LiLAC Communications, Inc., of any unexercised

and unsold Rights held by Plan participants towards the end of the Rights Offering Period (collectively, the Covered Transactions). Plan participants acquired the Rights at no additional cost and could then sell the Rights at their fair market value or exercise the Rights to purchase Series C LLA Stock, at a discount.

After reviewing the Plan's application for an exemption, the Department tentatively determined that the Covered Transactions would be in the interest of, and protective of, the Plan and its participants and beneficiaries, and would also be administratively feasible. On November 26, 2025, the Department published a proposed exemption that would permit the Covered Transactions subject to certain conditions (the Proposed Exemption).¹ The Proposed Exemption invited interested persons to submit comments and hearing requests (where appropriate) to the Department regarding the Proposed Exemption. No comment or hearing request was received by the Department.

Based on the record and representations made by the Applicant, the Department has determined to grant the Proposed Exemption. The exemption contains certain minor, non-substantive edits intended to clarify the exemption and/or correct ministerial errors. The terms of the exemption are set forth in Sections I and II below.

The Department makes the requisite findings under ERISA section 408(a) that the exemption is: (1) administratively feasible for the Department; (2) in the interest of the Plan and its participants and beneficiaries; and (3) protective of the rights of the participants and beneficiaries of the Plan, based on the Applicant's adherence to all the conditions of the exemption at all times.² Accordingly, affected parties should be aware that the conditions incorporated in this exemption are, taken individually and as a whole, necessary for the Department to grant the relief requested by the Applicant. This exemption provides only the relief specified herein and does not provide relief from

¹ See 90 FR 54393.

² Any references hereinafter to sections of ERISA shall be deemed to refer to the corresponding sections of the Code, unless indicated otherwise.

violations of any law other than the prohibited transaction provisions of ERISA and the Code.

The complete application file (D-12061) will remain available for public inspection in the Public Disclosure Room of the Employee Benefits Security Administration, Room N-1515, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, D.C. 20210 reachable by telephone at (202) 693-8673. For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, please refer to the Proposed Exemption.

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under ERISA section 408(a) and/or Code section 4975(c)(2) does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions of ERISA and/or the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of ERISA section 404, which, among other things, require a fiduciary to discharge their duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with ERISA section 404(a)(1)(B); nor does it affect the requirement of Code section 401(a) that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) As required by ERISA section 408(a), the Department hereby finds that the exemption is (1) administratively feasible for the Department, (2) in the interests of affected plans and of their participants and beneficiaries, and (3) protective of the rights of participants and beneficiaries of such plans;

(3) The exemption is supplemental to, and not in derogation of, any other ERISA provisions, including statutory or administrative exemptions and transitional rules.

Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of determining whether the transaction is in fact a prohibited transaction; and

(4) The availability of this exemption is subject to the express condition that the material facts and representations contained in the application accurately describe all material terms of the transactions that are the subject of the exemption and are true at all times.

The Department grants this exemption under the authority of ERISA section 408(a) and Internal Revenue Code (Code) section 4975(c)(2), and in accordance with the procedures set forth in the exemption procedure regulation.³

Section I. Covered Transactions

If the conditions in Section II are met, the restrictions of ERISA sections 406(a)(1)(E), 406(a)(2), 406(b)(1), 406(b)(2), and 407(a)(1)(A), and the excise tax imposed by Code section 4975(a) and (b) (due to the operation of a parallel prohibited transaction provision contained in Code section 4975(c)(1)(E)), for the period beginning September 10, 2020, and ending September 25, 2020, will not apply to:

(a) the acquisition by the Liberty Latin America 401(k) Savings Plan (the Plan) of certain stock subscription rights (the Rights), pursuant to a stock rights offering (the Rights Offering) by Liberty Latin America Ltd. (LLA), for the purchase of shares of Series C LLA common stock (Series C LLA Stock);

(b) the holding of the Rights by the Plan during the subscription period of the Rights Offering (the Rights Offering Period); and

³ 29 CFR part 2570, subpart B (76 FR 66637, 66644, October 27, 2011). Effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978, 5 U.S.C. App. 1 (1996), transferred the authority of the Secretary of the Treasury to issue exemptions of the type requested by the Applicant to the Secretary of Labor. Therefore, this notice of proposed exemption is issued solely by the Department.

(c) the sale of any unexercised and unsold Rights held by Plan participants, at the direction of the 401(k) Committee (the Committee) of LiLAC Communications, Inc. (LiLAC), prior to the expiration of the Rights Offering Period, provided the conditions set forth in Section II are met.

Section II. Conditions

(a) The Plan's acquisition of the Rights resulted solely from an independent corporate act of LLA as a corporate entity, without the exercise of any discretion on the part of the Committee;

(b) All holders of Series A LLA common stock (Series A LLA Stock) or Series C LLA Stock (individually or together, LLA Stock), including the Plan, were issued the same proportionate number of Rights based on the number of shares of LLA Stock held by each shareholder;

(c) For purposes of the Rights Offering, all holders of Series A LLA Stock or Series C LLA Stock, including the Plan, were treated in a like manner, with the exception that the oversubscription option available under the Rights Offering was not available to participants of the Plan;

(d) The acquisition of the Rights by the Plan was made in a manner that was consistent with provisions of the Plan for the individually directed investment of participant accounts;

(e) All decisions regarding the holding and disposition of the Rights were made by the participants whose Plan accounts were credited with the Rights, with the exception of the direction by the Committee to the Plan's trustee, Fidelity Management Trust Company (the Trustee) to sell any Rights that remained unexercised and unsold towards the end of the Rights Offering. With respect to Rights sold at the direction of the Committee, the sale must have been effected in a prudent manner on the open market so that the Plan participants received at least fair market value for the Rights sold;

(f) The Plan did not pay any brokerage fees, commissions, subscription fees, or other charges in connection with the acquisition and holding of the Rights, except for the Securities Exchange Commission fee and the commission paid to the Trustee's affiliate, Fidelity Capital Markets, which were charged solely against the price received by the Plan participant selling the Right. The Committee's decision to allow this fee and commission must have been prudent, consistent with their duties under ERISA Section 404, and the fee and commission must have been reasonable, consistent with ERISA Section 408(b)(2);

(g) The Plan did not pay any fees in connection with the Plan's request for this exemption;

(h) The Plan fiduciary responsible for overseeing the Plan's participation in the Rights Offering, prudently and loyally determined on behalf of the Plan that: (1) the Plan's acquisition, holding, and sale of the Rights could proceed, and (2) the Plan's participants received at least the fair market value for the exercise and sales of the Rights;

(i) LiLAC maintains for a period of six (6) years from the date of the publication of the exemption, in a manner that is convenient and accessible for audit and examination, the records necessary to enable the persons described in paragraph (j)(1) – (4) below to determine whether conditions of this exemption have been met, except that (1) a prohibited transaction will not be considered to have occurred if, due to circumstances beyond the control of LiLAC, the records are lost or destroyed prior to the end of the six-year period, and (2) no party in interest other than LiLAC shall be subject to the civil penalty that may be assessed under ERISA section 502(i) if the records are not maintained, or are not available for examination as required by paragraph (j) below;

(j) Notwithstanding any provisions of subsections (a)(2) and (b) of ERISA section 504, the records referred to in paragraph (i) above shall be unconditionally available at their customary location during normal business hours to:

(1) any duly authorized employee or representative of the Department or the Internal Revenue Service;

(2) LiLAC or any duly authorized representative of LiLAC;

(3) the Plan fiduciary or any duly authorized representative of the Plan fiduciary;

and

(4) any participant or beneficiary of the Plan, or any duly authorized representative of such participant or beneficiary;

(k) The Plan must provide to the Department the records necessary to demonstrate that the conditions of this exemption, as amended, have been met, within 30 days from the date the Department requests such records; and

(l) All the material facts and representations made by the Plan that are set forth in the Summary of Facts and Representations in the proposed exemption at 90 FR 54393 are true and accurate at all times. If there is any material change in a transaction covered by the exemption, or in a material fact or representation described by the Plan in the application, the exemption will cease to apply as of the date of the change.

Exemption date: The exemption will be in effect as of September 10, 2020, through September 25, 2020.

Signed at Washington, DC.

Christopher Motta,

Acting Director, Office of Exemption Determinations, Employee Benefits Security

Administration, U.S. Department of Labor.

[FR Doc. 2026-03826 Filed: 2/25/2026 8:45 am; Publication Date: 2/26/2026]