



DEPARTMENT OF LABOR

Employee Benefits Security Administration

[Prohibited Transaction Exemption 2026-03; Application Number D-12118]

Exemption for Certain UBS AG (UBS) Asset Managers Located in Zurich, Switzerland

AGENCY: Employee Benefits Security Administration, Labor.

ACTION: Notice of exemption.

SUMMARY: This exemption allows current and future UBS-related asset managers to continue to rely on Prohibited Transaction Exemption (PTE) 84-14, from May 5, 2026, to May 5, 2035, if certain conditions are met, notwithstanding four convictions and one non-prosecution agreement involving affiliated entities of UBS.

DATES: Exemption date: This exemption will be in effect for the period beginning on May 5, 2026, and ending on May 5, 2035.

FOR FURTHER INFORMATION CONTACT: Nicholas Schroth, Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor, (202) 693-8540 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION:

Benefits of the Exemption:

This exemption is intended to protect Covered Plans¹ from incurring the harms and costs that UBS represents would arise if UBS Qualified Professional Asset Managers

¹ “Covered Plan” is defined in Section I(e) to mean a plan subject to Part IV of Title I of ERISA (an “ERISA-covered plan”) or a plan subject to Code section 4975 (an “IRA”), in each case, with respect to which an Affiliated QPAM, as defined in Section I(b), relies on PTE 84-14, or with respect to which an Affiliated QPAM (or any UBS affiliate) has expressly represented that the manager qualifies as a QPAM or relies on PTE 84-14. A Covered Plan does not include an ERISA-covered plan or IRA to the extent the Affiliated QPAM has expressly disclaimed reliance on QPAM status or PTE 84-14 in entering into a

(QPAMs) are no longer able to rely on the relief described in PTE 84-14, due to UBS QPAMs' noncompliance with that class exemption. Among other things, this exemption ensures that a Covered Plan can terminate its relationship with a UBS QPAM in an orderly and cost-effective fashion if the Covered Plan fiduciary determines that it is prudent to do so. This exemption requires UBS QPAMs to adhere to basic fiduciary standards and responsibilities mandated by Title I of ERISA and the Code and reinforces the obligation of UBS QPAMs to act with integrity on behalf of Covered Plans, as required by PTE 84-14.

Background:

UBS requested an exemption in accordance with the Department's exemption procedures.² On February 26, 2026, the Department published a notice of proposed exemption in the *Federal Register* (the Proposed Exemption),³ for certain current and future UBS-related asset managers to continue to rely on PTE 84-14 until May 4, 2031, if certain conditions are met, notwithstanding four judgments of conviction and one non-prosecution agreement involving entities within UBS's corporate umbrella. Based on the record and representations made by UBS, the Department has determined to grant the Proposed Exemption with the modifications discussed below.

This exemption provides only the relief specified herein and does not provide relief from any other law. If any material statement in the record attributable to this

contract, arrangement, or agreement with the ERISA-covered plan or IRA. Notwithstanding the above, an Affiliated QPAM may disclaim reliance on QPAM status or PTE 84-14 in a written modification of a contract, arrangement, or agreement with an ERISA-covered plan or IRA, where: the modification is made in a bilateral document signed by the client; the client's attention is specifically directed toward the disclaimer; and the client is advised in writing that, with respect to any transaction involving the client's assets, the Affiliated QPAM will not represent that it is a QPAM, and will not rely on the relief described in PTE 84-14.

² 29 CFR part 2570, subpart B at 89 FR 4662, January 24, 2024. 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 exemption is issued solely by the Department.

³ See 91 FR 9645.

exemption is not, or may no longer be, completely and factually accurate, UBS must immediately alert the Department.

Written Comments:

In the Proposed Exemption, the Department invited all interested persons to submit written comments and request a public hearing. All comments and requests for a hearing were due to the Department by April 6, 2026. The Department received written comments from Mr. Larry Dembrun, SIFMA, and UBS, and no requests for a public hearing.⁴

Comment from Mr. Larry Dembrun: Mr. Dembrun stated that he “understood the intent behind the [regulation]” and “encourage[d] decision-makers to carefully consider how its implementation may affect communities that are already facing financial and operational challenges.” He also asked the Department to engage a broad range of stakeholders and to incorporate their feedback before finalizing the exemption.

Department Response: The implementation of this exemption allows UBS QPAMs to continue to rely on PTE 84-14 to engage in a wide range of transactions that are beneficial to Covered Plans, notwithstanding that the UBS QPAMs fail to comply with Section I(g) of that class exemption. This exemption, therefore, preserves the ability of Covered Plans to retain their asset manager of choice and potentially avoid the financial and operational challenges associated with transitioning their assets to a new asset manager. These costs are described in the Proposed Exemption. Further, by permitting UBS QPAMs to continue to rely on PTE 84-14, this exemption allows UBS QPAMs to manage Covered Plan assets more efficiently.

With respect to Mr. Dembrun’s request that the Department engage a broad range of stakeholders, the Department notes that UBS provided a notice of the Proposed

⁴ All information submitted by the Applicant to the Department in connection with this exemption is available through the Department’s Public Disclosure Room, by referencing D-12118.

Exemption to all UBS Covered Plan clients and notice of the Proposed Exemption was published in the *Federal Register*. In developing administrative exemptions, the Department welcomes and considers carefully comments from stakeholders, which become part of the public record.

Comment from SIFMA:

SIFMA raised general concerns regarding the impact of PTE 84-14's disqualification provisions. SIFMA also broadly stated that the individual exemptions issued as a result of UBS QPAM disqualification contain punitive conditions that cannot be squared with ERISA or the interests of participants and beneficiaries. With regard to UBS specifically, SIFMA asked the Department to issue an exemption with conditions that are more tailored and limited.

Department Response: While SIFMA did not articulate which conditions in the Proposed Exemption are punitive, the Department has nevertheless modified the terms of this exemption, as described below, based on the Department's review of the entire record, including UBS's comments to the Proposed Exemption.

Comments from UBS:

UBS commented that the exemption continues to be in the interest of Covered Plans and their participants and beneficiaries, because it puts Covered Plans on equal footing with other investors and helps asset managers by letting them avoid time-consuming compliance checks to avoid transactions with parties in interest. UBS also made several requests regarding the conditions of the Proposed Exemption that are discussed below:

UBS Request 1 – *No conditions or a streamlined exemption*. UBS argues that the Department should grant UBS an exemption without any conditions, because the conditions imposed by the Department: are burdensome; have no appreciable benefit to plans; and have not demonstrably increased protections or benefits for Covered

Plans and their participants and beneficiaries. UBS states that, as an alternative, a smaller suite of “streamlined conditions, modeled on the 2012 Citigroup exemption, would be more than sufficient to safeguard plans and their participants and beneficiaries.” Finally, UBS suggests that the transactions covered by PTE 84-14 do not present a genuine risk of material conflicts, thus the Department should not impose the same number or nature of conditions that are included in the Proposed Exemption (Section I of PTE 84-14 applies only to party-in-interest transactions executed by an independent asset manager and does not apply to transactions between the plan and the QPAM itself).

Department’s Response: While UBS did not demonstrate that removing all of the conditions described in the Proposed Exemption would be protective of or in the interests of affected Covered Plans and their participants and beneficiaries, the Department has nevertheless modified the terms of this exemption based on the Department’s review of the entire record, including UBS’s comments. Under ERISA Section 408(a), Congress authorized the Department to issue a “conditional or unconditional exemption of any fiduciary or transaction” only if the exemption is: (1) administratively feasible for the Department; (2) in the interests of the plan and of its participants and beneficiaries; and (3) protective of the rights of participants and beneficiaries. The conditions in this exemption are intended to ensure that UBS QPAMs adhere to their statutorily required fiduciary obligations under ERISA and that asset management decisions are effected without any intrusion from UBS corporate or business decision-making. In the Department’s view, conditions requiring maintenance and adherence to Policies; specialized QPAM training; checks on UBS QPAM compliance; and provision of information to Covered Plans so that fiduciaries can make prudent decisions regarding their retention of UBS QPAMs are protective of the rights of the participants and beneficiaries of Covered Plans. The

conditions in this exemption help to further empower Covered Plan fiduciaries to make prudent fiduciary decisions, by requiring UBS to indemnify Covered Plans for any actual losses resulting directly from, among other things, a violation of the conditions of this exemption. The indemnification and hold harmless conditions permit Covered Plan fiduciaries to exercise prudence when deciding to retain a new manager, without fear of incurring substantial charges, lock-ups, or other disincentives that could otherwise impair their ability to exercise prudence.

Finally, the fact that Section I of PTE 84-14 applies to party in interest transactions is irrelevant to the Department's decision to impose conditions on the UBS QPAMs that rely on this exemption. The Department notes that: (1) the scope of Section I of the exemptive relief in the QPAM Class Exemption is expansive, permitting an investment fund managed by a UBS QPAM to engage in all prohibited transactions described in ERISA Section 406(a) with virtually all parties in interest to Covered Plans that invest in the fund (except the QPAM).⁵ The Department is guided by the policy objectives expressed in the preamble to PTE 84-14 which state that the purpose of Section I(g) is: to ensure that QPAMs, and those who may be in a position to influence their policies, will maintain a high standard of integrity.⁶ This objective is reinforced by Section I(g) of PTE 84-14, which UBS QPAMs have failed to comply with numerous times. Given the nature and number of these failures, the Department continues to believe the conditions of this exemption are warranted.

UBS Request 2 – *The conditions are unfair to UBS QPAMs.* UBS states that: none of the disqualifying events had anything to do with UBS's management of ERISA assets; there is no reason to question UBS's track record of ERISA compliance; the Proposed Exemption conditions penalize UBS for acquiring Credit

⁵ In addition, PTE 84-14 contains limited relief from ERISA Section 406(b).

⁶ Proposed Class Exemption for Plan Asset Transactions Determined by Independent Qualified Professional Asset Managers, 47 FR 56945, 56947 (Dec. 21, 1982).

Suisse at the Swiss government's behest, and the Department is imposing an unnecessary regulatory regime on UBS due to the historic misconduct of Credit Suisse. UBS also states that the conduct relating to the conviction of CSSAG occurred prior to UBS's acquisition of Credit Suisse, and during the post-merger integration period, UBS proactively identified and voluntarily disclosed to the government potentially problematic Credit Suisse accounts.

Department's Response: The conditions of this exemption are not intended to punish UBS or unfairly burden UBS QPAMs. Instead, the Department's objectives in granting this exemption are to (i) insulate UBS QPAMs from the business and corporate decision making of UBS and its affiliates and any Criminal Misconduct or potential future misconduct of UBS and its affiliates; (ii) allow Covered Plans to terminate their relationship with the UBS QPAMs with minimal disruption to the Covered Plans; (iii) create a reliable and independent public record that documents the UBS QPAMs' level of compliance with the terms of this exemption and adherence to their basic fiduciary duties; and (iv) provide the Department with the flexibility to revise or revoke the relief in this exemption in a manner most protective of Covered Plans, if UBS engages in future criminal activity.

Finally, regarding UBS's comments relating to post-merger activity to remedy legacy problematic Credit Suisse accounts, the Department has taken this information into consideration when determining to modify certain terms of the exemption, as discussed below.

UBS Request 3 – *Section I(g) and the conditions of this exemption are inconsistent with ERISA*. UBS argues that the PTE 84-14 disqualification provisions and the conditional individual exemptions required by convicted managers go beyond ERISA's Congressional intent or are otherwise not consistent with ERISA,

which “itself provides a clear, fair process for disqualifying fiduciaries under 29 U.S.C. 1111(a).”⁷

Department’s Response: UBS’s general concerns regarding Section I(g) of class PTE 84-14 are outside the scope of this individual exemption. However, in the context of this individual exemption, the text of ERISA explicitly authorizes the Department to grant conditional exemptions from all or part of the restrictions imposed by ERISA sections 406 and 407.⁸ The Applicant’s comparison to ERISA section 411 is inapt because ERISA section 411 provides a mechanism to bar an entity from acting as a fiduciary—but Section I(g) does not bar an entity from acting as a fiduciary. Nor are this exemption and its conditions a process for qualifying or disqualifying any entity from acting as a fiduciary. This individual exemption merely permits UBS QPAMs to continue to rely on PTE 84-14 to engage in party-in-interest transactions that would otherwise be prohibited under ERISA. Other exemptive relief for many of those same transactions already exists.

To illustrate this point, the Department notes that, during the period beginning on June 12, 2023 through June 11, 2024, the UBS QPAMs were not permitted to use the relief in PTE 84-14, but they were nevertheless able to act as investment-management fiduciaries for their Covered Plan clients.⁹ In fact, UBS represented that during that period of time, the UBS QPAMs were able to rely on alternative sources of exemptive relief or avoid altogether engaging in prohibited transactions on behalf of their Covered Plan clients.

UBS Request 4 – *Not administratively feasible*. UBS argues that the

⁷ UBS’s comment letter also argues that the application of Section I(g) to convictions by foreign courts is unjustifiable. The Department declines to respond to this argument because whether Section I(g) is properly applicable to convictions in foreign courts is outside the scope of this exemption. The conviction necessitating relief under this exemption occurred in the U.S. District Court for the Eastern District of Virginia.

⁸ 29 U.S.C. 1108(a).

⁹ See PTE 2025-03, at 90 FR 3929, 3932 (January 15, 2025). Further, UBS QPAMs would not have been able to rely on PTE 84-14 until January 15, 2025, when relief was granted retroactively to June 12, 2023.

conditions described in the Proposed Exemption are not “administratively feasible” within the meaning of ERISA Section 408(a) and should be removed.

Department’s Response: The Department notes that the conditions in this exemption were developed with due consideration of whether the exemption would be administratively feasible for the Department. Nearly all of the exemption conditions, such as the requirement that UBS QPAMs must undergo independent audits, develop policies and procedures, and implement regular training, are largely self-executing and do not pose an unreasonable burden to the Department.

UBS Request 5 – *No annual audits*. UBS asserts that the exemption should not require UBS to undergo an annual audit, because audits are time consuming and expensive, and no UBS audit in over a decade has uncovered a material compliance deficiency, i.e., they have been “clean.” Alternatively, UBS asserts that they should be treated the same as in the recently proposed exemption for Goldman Sachs, which would require a single external closing audit “to cover the final twelve months of exemptive relief,” as opposed to annual external audits.¹⁰

Department’s Response: After reviewing the entire record, including UBS’s comments, the Department has determined to modify the audit requirement described in the Proposed Exemption. The Department notes that UBS QPAMs have been subject to numerous annual exemption audits, and these audits have demonstrated a sufficient level of compliance for the Department to require two audits over the remaining nine-year term of this exemption. The Department notes that: notwithstanding the missed audit period described in PTE 2025-03, UBS QPAMs’ audits have found the UBS QPAMs adhered to their basic fiduciary duties and operate separately and without influence from UBS’s businesses and corporate

¹⁰ Proposed Exemption for The Goldman Sachs Group, Inc. at 91 FR 16745, 16752 (April 2, 2026), Section III(i)(1).

activities; and UBS QPAMs' last violation of Section I(g) was due to behavior that, at the time, was outside UBS's corporate umbrella (and with respect to which UBS has made efforts to remedy).

The first audit must cover the consecutive twelve-month period from May 5, 2029, through May 4, 2030, and be completed by November 4, 2030. The second audit must cover the twelve-month period from May 5, 2034, through May 5, 2035, and be completed by November 5, 2035.¹¹ These two independent audits help protect Covered Plans by ensuring that, among other things: the QPAMs adhere to their basic fiduciary obligations under ERISA; transactions prohibited under ERISA are implemented in accordance with the requirements of PTE 84-14 and are monitored in a way that protects participants; and the UBS QPAMs implement their policies and training in accord with the requirements of the exemption and report and remedy instances of noncompliance. The audit requirement not only helps to ascertain instances of noncompliance with this exemption but also helps promote and encourage an ongoing culture of compliance for personnel subject to the audit. The audit requirement itself may be partly responsible for incentivizing compliant behavior by UBS QPAMs, and the absence of discovery upon audit of a "material compliance deficiency," in and of itself, should not be grounds to remove this protective condition.

UBS Request 6 – *No indemnification/hold harmless requirements or written indemnification procedures.* UBS should not be required to indemnify plan clients for losses (condition Section III(j)(2)) or maintain written indemnification procedures (condition Section III(v) of the Proposed exemption and redesignated as Section III(u) in this final exemption). Among other things, UBS states that these provisions

¹¹ This modification to the audit requirement renders the "auditor consultation" provision in Section III(i)(15) meaningless, and so that provision has been deleted.

increase the costs for Covered Plans. UBS also asserts that the indemnification provision “exceeds the Department’s lawful authority because it purports to create a private right of action that Congress did not provide for in ERISA”¹².

Department’s Response: The Department is unable to find that removing the requirement to indemnify plan clients for losses or maintain written indemnification procedures would be in the interests of, and protective of, Covered Plans and their participants and beneficiaries. The indemnification requirements permit fiduciaries of Covered Plans to exercise their duties of prudence to determine whether to seek an alternative investment manager without the imposition of certain fees or charges. UBS has not provided any data demonstrating that the indemnification provisions have increased costs for Covered Plans due to the risk of indemnification being included in QPAM’s pricing of its services, and the Department is not persuaded that the mere suggestion of such additional costs is grounds to remove the condition.

UBS’s comment letter does not support its assertion that the indemnification requirements set forth in Section III(j)(2) and Section III(u) in this final exemption exceed the Department’s authority. The Department notes that the text of ERISA explicitly authorizes the Department to grant conditional exemptions from all or part of the restrictions imposed by ERISA sections 406 and 407.

UBS Request 7 – *No Violation Notices*. UBS argues that UBS QPAMs should not be required to disseminate a violation notice as required in Section III(t) (Violation Notice) in instances of a UBS QPAM’s material noncompliance with a condition of the exemption, because it is unclear what types of noncompliance would be considered “material.” Further, requiring UBS QPAMs to inform plan clients that a violation has occurred threatens UBS QPAMs’ status before the Department has

¹²*Chamber of Com. of U.S.A. v. Dep’t of Labor*, 885 F.3d 360, 384 (5th Cir. 2018).

confirmed it is warranted. UBS also states that the notification process would require significant time and expense.

Department's response: The Department is unable to find that the requested change would be in the interest of Covered Plans. The Department added the Violation Notice requirement to UBS's most recent exemption (PTE 2025-03) as a protective measure because UBS failed to complete an audit required by their previous exemption (PTE 2024-14). The Department added this condition to ensure that Covered Plan fiduciaries receive the information that they need to make informed prudent decisions about the asset manager to whom they have entrusted asset management responsibilities.

Regarding UBS's concern about whether an instance of noncompliance is "material," as the Department noted in PTE 2025-03, "each condition in an exemption is material to the Department's findings and must be adhered to in order for an ERISA-covered plan, IRA, a party in interest, or disqualified person to rely on the exemption." Thus, failure to adhere to a condition of this exemption should be considered material noncompliance.¹³ The Department notes further the language from paragraph 44 of the Proposed Exemption:

When interpreting and implementing this exemption, UBS and the relevant QPAM should resolve any ambiguities considering the exemption's protective purposes in favor of the exemption's protective purposes. To the extent additional clarification is necessary, these persons or entities should contact EBSA's Office of Exemption Determinations by email (e-oed@dol.gov) or phone (202-693-8540).

Therefore, UBS QPAMs are encouraged to determine materiality of noncompliance in accordance with the above. The Department suggests that UBS QPAM contact the Department to discuss the potential noncompliance early in the

¹³ In the Department's view, examples of non-material violations of conditions may include minor errors in the timing of mailings not specifically required under the condition, spelling mistakes that do not alter the meaning of required notices, scrivener's errors, and similar clerical errors that do not violate a condition by its terms.

30-day period preceding the date by which the QPAM is required to send out the Violation Notice.

UBS Request 8 – *Broader condition III(s)*. Section III(s) of the Proposed Exemption provides that a UBS QPAM will not fail to meet the terms of this exemption solely because a different UBS QPAM fails to satisfy select conditions for relief in Section III (i.e. Section III(c), (d), (h), (i), (j), (k), (l), (m), (p), (r), or (v)). UBS asserts that Section III(s) should be expanded to apply to all Section III’s conditions. Alternatively, at a minimum, Section III(t) (Violation Notice), of the Proposed Exemption should be included in the specific subsections for which Section III(s) applies.

Department’s response: Except as discussed below, the Department is unable to find that a sweeping change to Section III(s) of the Proposed Exemption would be in the interest of and protective of Covered Plans. Section III(s), redesignated as Section III(r) in this final exemption, is tailored to strike the appropriate balance between: preserving a UBS QPAM’s relief notwithstanding that a different UBS QPAM is not in compliance with certain conditions of the exemption; and demanding accountability from all UBS QPAMs with respect to certain other conditions of the exemption. Notwithstanding this, the Department agrees that an Affiliated QPAM should not, by default, fail to meet the terms of the exemption solely because a different Affiliated QPAM failed to comply with the Violation Notice requirement set forth in Section III(t) of the Proposed Exemption (redesignated as Section III(s) in this final exemption). As a result, Section III(r) is revised to include Section III(s).

UBS Request 9 – *Additional exemptive relief from foreign convictions and reporting of foreign non-prosecution agreements or deferred prosecution agreements*. UBS argues that the exemption should cover any future foreign

conviction of a UBS affiliate. Further, the exemption should not require UBS to notify the Department of foreign equivalents of deferred prosecution agreements and non-prosecution agreements.¹⁴ According to UBS, this change would obviate the need to evaluate whether an anticipated foreign conviction is “substantially equivalent” to a disqualifying U.S. crime and would reduce the materials the Department must review, with no adverse effect on Covered Plans or their participants or beneficiaries.

Department’s response: The Department is unable to find that pre-emptively providing an exemption for future criminal behavior or foreign equivalents of deferred prosecution agreements and non-prosecution agreements by UBS QPAMs, their affiliates, or any entity owned 5% or more by a UBS QPAM, would be in the interest of Covered Plans. In this regard, the Department is able to make prospective findings that the built-in protections contained herein are sufficient to protect Covered Plans. UBS has not demonstrated that the conditions of this exemption would sufficiently protect Covered Plans with respect to all future foreign convictions of UBS affiliates about which no facts are yet available.

If a future crime raises “substantial equivalency” concerns, UBS may seek the Department’s views in this regard. Additionally, the One-Year Transition Period under the QPAM Class Exemption, and the ability to apply for a new individual exemption, provide UBS QPAMs with the time and the opportunity to address any issues about whether an upcoming foreign conviction implicates Section I(g) of PTE 84-14. Notwithstanding the above, the Department has removed the condition in Section III(q) from the exemption because it is made moot due to the operation of Section I(g)(2) of

¹⁴ UBS appears to be requesting that the Department permit UBS QPAMs to forgo future compliance with the current conditions of PTE 84-14, Sections I(g)(2), and VI(r)(2), as they relate to foreign conviction(s) and foreign settlements that are substantially equivalent to a non-prosecution agreement (NPA) or deferred prosecution agreement (DPA) with U.S. prosecutors that would form the basis of a violation of Section I(g).

PTE 84-14.

UBS Request 10 – *Ten-year exemption period*. UBS requests that the Department should grant relief for the entirety of the ten-year disqualification period, instead of the five years specified in the Proposed Exemption.

Department’s response: After reviewing the record and the conditions of this exemption, the Department has determined to make the requested change. The Department believes extending the effective period in this exemption would be sufficiently protective of Covered Plans because: UBS QPAMs have satisfactorily performed years of exemption-mandated training; UBS has voluntarily made remedial efforts with respect to criminal behavior that occurred outside its corporate umbrella; and the terms of this exemption continue to require, among other things, annual ongoing compliance reviews by two compliance officers. Moreover, the Department will receive two audit reports from an independent auditor detailing the QPAMs’ efforts to comply with the terms of this exemption and with the Policies and Training requirements after each twelve-month audit period. The Department reserves the right to revoke this exemption in accordance with its exemption procedure regulation, if those audit reports demonstrate the UBS QPAMs’ failure to adhere to the terms of this exemption or their fundamental fiduciary obligations.

The complete application file (D-12118) is 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. For a more complete statement of the facts and representations supporting the Department’s decision to grant this exemption, please refer to the notice of Proposed Exemption published on February 26, 2026, at 91 FR 9645.

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 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 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.

Accordingly, after considering the entire record developed in connection with UBS's exemption application, the Department grants the following exemption under the authority of ERISA section 408(a) and Code section 4975(c)(2) in accordance with the

Department's exemption procedures regulation.¹⁵

EXEMPTION

SECTION I. DEFINITIONS

(a) Names of Certain Corporate Entities:

(1) The term "CSAM LLC" means Credit Suisse Asset Management, LLC. On May 1, 2024, UBS merged CSAM LLC into UBS Asset Management (Americas) LLC, with UBS Americas as the surviving entity.

(2) The term "CSSEL" means Credit Suisse Securities (Europe) Limited, an indirect, wholly owned subsidiary of UBS Group AG.

(3) The term "UBS" means UBS AG, which is a wholly owned subsidiary of UBS Group AG.

(4) The term "UBS Americas" means UBS Asset Management (Americas) LLC, which is majority owned by UBS Americas, Inc., a wholly owned subsidiary of UBS AG.

(5) The term "UBS Europe" means UBS Europe SE. UBS Europe is the successor to UBS (France) S.A., which was a wholly owned subsidiary of UBS under the laws of France until 2023. In July of 2023, UBS (France) S.A. merged into UBS Europe and set up a branch in France called UBS Europe SE, France Branch.

(6) The term "CSSAG" means Credit Suisse Services AG, which was 100% owned by Credit Suisse Group AG, before UBS AG acquired Credit Suisse Group AG.

(b) The term "Affiliated QPAM" means UBS Americas, and any future entity within the Asset Management or the Global Wealth Management Americas U.S.

¹⁵ 29 CFR part 2570, subpart B (89 FR 4662 (January 24, 2024)). 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 to the Secretary of Labor. Therefore, this exemption is issued solely by the Department. For purposes of this exemption, references to ERISA section 406, unless otherwise specified, should be read to refer as well to the corresponding provisions of Code section 4975.

divisions of UBS that qualifies as a “qualified professional asset manager” (as defined in Section VI(a) of PTE 84-14) and that relies on the relief provided by PTE 84-14, and with respect to which UBS is an “Affiliate” (as defined in Part VI(d) of PTE 84-14). The term Affiliated QPAM excludes a Misconduct Entity.

(c) The term “Criminal Activity” means the Covered Convictions and the 2025 NPA.

(d) The term “Covered Convictions” means (1) the judgment of conviction against CSSAG for one count of conspiracy to commit offenses against the United States, in violations of Title 26, United States Code, Section 7206(2), for the aiding, assisting, procuring, counseling, and advising of the preparation and presentation of false income tax returns to the Internal Revenue Service (the IRS), in violation of Title 18, United States Code, Section 371 (the 2025 CSSAG Conviction); (2) the judgment of conviction against CSSEL in Case Number 1:21-cr-00520-WFK (the 2022 CSSEL Conviction); (3) the judgment of conviction against UBS in case number 3:15-cr-00076-RNC in the U.S. District Court for the District of Connecticut for one count of wire fraud in violation of Title 18, United States Code, Sections 1343 and 2 in connection with UBS’s submission of Yen London Interbank Offered Rates and other benchmark interest rates between 2001 and 2010 (the 2017 Conviction); and (4) the judgment of conviction on February 20, 2019, against UBS and UBS Europe in case Number 1105592033 in the French First Instance Court (the 2019 UBS Europe Conviction).

(e) The term “Covered Plan” means a plan subject to Part IV of Title I of ERISA (an ERISA-covered plan) or a plan subject to Code section 4975 (an IRA), in each case, with respect to which an Affiliated QPAM relies on PTE 84-14, or with respect to which an Affiliated QPAM (or any UBS affiliate) has expressly represented that the manager qualifies as a QPAM or relies on PTE 84-14. A Covered Plan does not include an ERISA-covered plan or IRA to the extent the Affiliated QPAM has expressly disclaimed

reliance on QPAM status or PTE 84-14 in entering into a contract, arrangement, or agreement with the ERISA-covered plan or IRA. Notwithstanding the above, an Affiliated QPAM may disclaim reliance on QPAM status or PTE 84-14 in a written modification of a contract, arrangement, or agreement with an ERISA-covered plan or IRA, where: the modification is made in a bilateral document signed by the client; the client's attention is specifically directed toward the disclaimer; and the client is advised in writing that, with respect to any transaction involving the client's assets, the Affiliated QPAM will not represent that it is a QPAM, and will not rely on the relief described in PTE 84-14.

(f) The term "Exemption Period" means the period beginning on May 5, 2026, and ending on May 5, 2035.

(g) The "2025 NPA" means the Non-Prosecution Agreement entered into on May 5, 2025 between the U.S. Department of Justice and CSSAG relating to, and contemporaneously with, the 2025 CSSAG Conviction, based specifically on the conduct of CSSAG's Credit Suisse Singapore branch assisting U.S. taxpayers in failing to comply with tax obligations or in using their accounts to evade U.S. taxes and U.S. reporting requirements.

(h) The term "Misconduct Entity" means any entity subject to one of the Criminal Activities, i.e., UBS, UBS Europe (into which UBS France was recently merged), CSSAG, and CSSEL.

(i) The term "Related QPAM" means any current or future "qualified professional asset manager" (as defined in Section VI(a) of PTE 84-14) that relies on the relief provided by PTE 84-14, and with respect to which UBS owns a direct or indirect five (5) percent or more interest, but with respect to which a Misconduct Entity is not an "Affiliate" (as defined in section VI(d)(1) of PTE 84-14). The term "Related QPAM" excludes a Misconduct Entity.

(j) The term “best knowledge,” “to the best of one’s knowledge,” “best knowledge at that time,” and other similar “best knowledge” terms shall include matters that are known to the applicable individual or should be known to such individual upon the exercise of such individual’s due diligence required under the circumstances, and, with respect to an entity other than a natural person, such term includes matters that are known to the directors and officers of the entity or should be known to such individuals upon the exercise of such individuals’ due diligence required under the circumstances.

(k) The term “UBS Seconded Employee” means, an individual nominally employed by a Misconduct Entity who performs work on behalf of a UBS QPAM; provided that such UBS QPAM is solely responsible for the management and control of the employee’s job activities performed on behalf of such QPAM. Notwithstanding the preceding sentence, the UBS QPAM must be solely responsible for the establishment of the employee’s job duties and terms of employment (including compensation, promotions, and benefits); and must have supervisory responsibility with respect to, among other things, the employee’s performance, training, and disciplinary actions.

(l) The term “UBS QPAMs” means, individually or collectively, the Affiliated QPAMs and/or the Related QPAMs.

(m) The “conduct” of any person or entity that is the “subject of” any misconduct refers to the misconduct by any UBS personnel that is the basis of (or the subject of) any Criminal Activity.

(n) The term “participate in” when used to describe an individual or entity’s participation in the Criminal Activity refers not only to active participation in the Criminal Activity but also includes an individual or entity’s knowledge or approval of the Criminal Activity, without taking active steps to prohibit such conduct, such as reporting the conduct to the individual’s supervisors, and to the Board of Directors.

SECTION II. COVERED TRANSACTIONS

The UBS QPAMs will not be precluded from relying on the exemptive relief provided by Prohibited Transaction Exemption 84-14 (PTE 84-14)¹⁶ during the Exemption Period, notwithstanding the Criminal Activity, provided that the definitions in Section I and the conditions in Section III are satisfied.

SECTION III. CONDITIONS

(a) The UBS QPAMs (including their officers, directors, agents other than the Misconduct Entities, employees of such QPAMs, and UBS Seconded Employees) did not know nor have reason to know of and did not participate in the conduct underlying the Criminal Activity. Further, any other party engaged on behalf of the UBS QPAMs who had responsibility for, or exercised authority in connection with, the management of plan assets did not know or have reason to know of and did not participate in the criminal conduct underlying the Criminal Activity.

(b) The UBS QPAMs (including their officers, directors, agents other than the Misconduct Entities, employees of such QPAMs, and UBS Seconded Employees) did not receive direct compensation, or knowingly receive indirect compensation, in connection with the criminal conduct that is the subject of the Criminal Activity. Further, any other party engaged on behalf of the UBS QPAMs who had responsibility for, or exercised authority in connection with the management of plan assets did not receive direct compensation, or knowingly receive indirect compensation, in connection with the Criminal Activity;

¹⁶ 49 FR 9494 (March 13, 1984), as corrected at 50 FR 41430, (Oct. 10, 1985), as amended at 70 FR 49305 (Aug. 23, 2005), as amended at 75 FR 38837 (July 6, 2010), as amended at 89 FR 23090 (April 3, 2024), and as corrected at 89 FR 65779 (Aug. 13, 2024).

(c) The Affiliated QPAMs do not currently and will not in the future employ or knowingly engage any of the individuals who participated in the criminal conduct underlying the Criminal Activity;

(d) At all times during the Exemption Period, no Affiliated QPAM will use its authority or influence to direct an “Investment Fund” (as defined in Section VI(b) of PTE 84-14) that is subject to ERISA or the Code and managed by such Affiliated QPAM with respect to one or more Covered Plans, to enter into any transaction with a Misconduct Entity or to engage a Misconduct Entity to provide any service to such investment fund, for a direct or indirect fee borne by such investment fund, regardless of whether such transaction or service may otherwise be within the scope of relief provided by an administrative or statutory exemption. An Affiliated QPAM will not fail this condition solely because:

(1) A UBS (or successor) affiliate serves as a local sub-custodian that is selected by an unaffiliated global custodian that, in turn, is selected by someone other than a UBS QPAM; or

(2) Services are provided by UBS Seconded Employees;

(e) Any failure of an Affiliated QPAM to satisfy Section I(g) of PTE 84-14 arose solely from the Criminal Activity;

(f) A UBS QPAM did not exercise authority over the assets of any ERISA-covered plan or IRA in a manner that it knew or should have known would further the criminal conduct underlying the Criminal Activity; or cause the UBS QPAM or its affiliates to directly or indirectly profit from the criminal conduct underlying the Criminal Activity;

(g) No Misconduct Entity will act as a fiduciary within the meaning of ERISA section 3(21)(A)(i) or (iii) or Code section 4975(e)(3)(A) and (C) with respect to ERISA-covered plan and IRA assets, except that each may act as such a fiduciary with respect to

employee benefit plans sponsored for its own employees or employees of an affiliate. No Misconduct Entity will be treated as violating the conditions of the exemption solely because it acted as an investment advice fiduciary within the meaning of ERISA section 3(21)(A)(ii) or Code section 4975(e)(3)(B);

(h)(1) Each Affiliated QPAM must maintain, adjust (to the extent necessary), implement, and follow the written policies and procedures described below (Policies). The Policies must require and must be reasonably designed to ensure that:

(i) The asset management decisions of the QPAM are conducted independently of the corporate and management and business activities of each Misconduct Entity, and without considering any fee a related local sub-custodian may receive from those decisions. This condition does not preclude an Affiliated QPAM from receiving publicly available research and other widely available information from a UBS affiliate;

(ii) The QPAM fully complies with ERISA's fiduciary duties, and with ERISA and the Code's prohibited transaction provisions, in each case as applicable with respect to each Covered Plan, and does not knowingly participate in any violation of these duties and provisions with respect to Covered Plans;

(iii) The QPAM does not knowingly participate in any other person's violation of ERISA or the Code with respect to Covered Plans;

(iv) Any filings or statements made by the QPAM to regulators, including but not limited to, the Department, the Department of the Treasury, the Department of Justice, and the Pension Benefit Guaranty Corporation, on behalf of or in relation to Covered Plans, are materially accurate and complete, to the best of such QPAM's knowledge at that time;

(v) To the best of its knowledge at that time, the QPAM does not make material misrepresentations or omit material information in its communications with such

regulators with respect to Covered Plans, or make material misrepresentations or omit material information in its communications with Covered Plans; and

(vi) The QPAM complies with the terms of this exemption, if granted;

(2) Any violation of, or failure to comply with, an item in subparagraphs (h)(1)(ii) through (vi), is corrected as soon as reasonably possible upon discovery, or as soon after the QPAM reasonably should have known of the noncompliance (whichever is earlier), and any such violation or compliance failure not so corrected is reported, upon the discovery of such failure to so correct, in writing. This report must be made to the head of compliance and the general counsel (or their functional equivalent) of the relevant UBS QPAM that engaged in the violation or failure and the independent auditor responsible for reviewing compliance with the Policies. A QPAM will not be treated as having failed to develop, implement, maintain, or follow the Policies, if it corrects any instance of noncompliance as soon as reasonably possible upon discovery, or as soon as reasonably possible after the QPAM reasonably should have known of the noncompliance (whichever is earlier), and provided that it adheres to the reporting requirements set forth in this subparagraph (2);

(3) Each Affiliated QPAM must maintain, adjust (to the extent necessary), and implement or continue a program of training during the Exemption Period (the Training) that is conducted at least annually for all relevant Affiliated QPAM asset/portfolio management, trading, legal, compliance, and internal audit personnel.¹⁷ The Training must:

(i) At a minimum, cover the Policies, ERISA and Code compliance (including applicable fiduciary duties and the prohibited transaction provisions), ethical conduct, the consequences for not complying with the conditions of this exemption

¹⁷ The exemption does not preclude a UBS QPAM from maintaining separate training programs provided each training program complies with this exemption.

(including any loss of exemptive relief provided herein), and the requirement for prompt reporting of wrongdoing;

(ii) Be conducted by a professional who has been prudently selected and who has appropriate technical training and proficiency with ERISA and the Code to perform the tasks required by this exemption; and

(iii) Be conducted in-person, electronically, or via a website;

(i)(1) Each Affiliated QPAM submits to two twelve-month audits conducted by an independent auditor, who has been prudently selected and who has appropriate technical training and proficiency with ERISA and the Code, to evaluate the adequacy of, and each Affiliated QPAM's compliance with, the Policies and Training described above in Section (h). The audit requirement must be incorporated in the Policies.

(2) UBS shall provide the Department a copy of the engagement agreement with the independent auditor within 15 days after its execution. Within 45 days after executing the engagement agreement with the independent auditor, and after consultation with the auditor, UBS must finalize and provide the independent auditor a schedule for completion of the audit. The schedule must include target dates for the auditor to send initial information and document requests to UBS and for UBS to respond to those requests. The Department's receipt and incorporation of the engagement agreement into the record, with or without comment, should not be taken as an indication that the Department has approved of the engagement agreement;

(3) The first audit must cover the consecutive twelve-month period from May 5, 2029, through May 4, 2030, and be completed by November 4, 2030. The second audit must cover the twelve-month period from May 5, 2034, through May 5, 2035, and be completed by November 5, 2035.

(4) Within the scope of the audit and to the extent necessary for the auditor, in its sole opinion, to complete its audit and comply with the conditions for relief described

herein, and only to the extent such disclosure is not prevented by state or federal statute, or involves communications subject to attorney–client privilege, each Affiliated QPAM and, if applicable, UBS, must grant the auditor unconditional access to its business, including, but not limited to: its computer systems; business records; transactional data; workplace locations; training materials; and personnel. Such access is limited to information relevant to the auditor’s objectives as specified by the terms of this exemption;

(5) The auditor’s engagement must specifically require the auditor to determine and include in each audit whether each Affiliated QPAM has developed, implemented, maintained, and followed the Policies in accordance with the conditions of this exemption, if granted, and has developed and implemented the Training, as required herein;

(6) The auditor’s engagement must specifically require the auditor to test each Affiliated QPAM’s operational compliance with the Policies and Training. In this regard, the auditor must test, for each Affiliated QPAM, a sample of such Affiliated QPAM’s transactions involving Covered Plans, sufficient in size and nature to afford the auditor a reasonable basis to determine such Affiliated QPAM’s operational compliance with the Policies and Training;

(7) For the audit, on or before the end of the relevant period described in Section III(i)(1) for completing the audit, the auditor must issue a written report (the Audit Report) to UBS and the Affiliated QPAM to which the audit applies that describes the procedures performed by the auditor in connection with its examination. The auditor, at its discretion, may issue a single consolidated Audit Report that covers all the Affiliated QPAMs. The Audit Report must include the auditor’s specific determinations regarding:

(i) The adequacy of each Affiliated QPAM's Policies and Training; each Affiliated QPAM's compliance with the Policies and Training; the need, if any, to strengthen such Policies and Training; and any instance of the respective Affiliated QPAM's noncompliance with the written Policies and Training described in Section III(h) above. The Affiliated QPAM must promptly address any noncompliance and prepare a written plan of action to address any determination as to the adequacy of the Policies and Training and the auditor's recommendations (if any) with respect to strengthening the Policies and Training of the respective Affiliated QPAM. Any action taken or the plan of action to be taken by the respective Affiliated QPAM must be included in an addendum to the Audit Report (such addendum must be completed prior to the certification described in Section III(i)(7) below). In the event such a plan of action to address the auditor's recommendation regarding the adequacy of the Policies and Training is not completed by the time of submission of the Audit Report, the following period's Audit Report must state whether the plan was satisfactorily completed. Any determination by the auditor that an Affiliated QPAM has implemented, maintained, and followed sufficient Policies and Training must not be based solely or in substantial part on an absence of evidence indicating noncompliance. In this last regard, any finding that an Affiliated QPAM has complied with the requirements under this subparagraph must be based on evidence that each Affiliated QPAM has implemented, maintained, and followed the Policies and Training required by this exemption. Furthermore, the auditor must not solely rely on the Exemption Report created by the Compliance Officers, as described in Section III(m) below, as the basis for the auditor's conclusions in lieu of independent determinations and testing performed by the auditor as required by Section III(i)(3) and (4) above; and

(ii) The adequacy of the Exemption Review described in Section III(m);

(8) The auditor must notify the respective Affiliated QPAM of any instance of noncompliance identified by the auditor within five (5) business days after such noncompliance is identified by the auditor, regardless of whether the audit has been completed as of that date;

(9) With respect to the Audit Report, the General Counsel, or one of the three most senior executive officers of the Affiliated QPAM to which the Audit Report applies, must certify in writing, under penalty of perjury, that the officer has reviewed the Audit Report and this exemption; that, to the best of such officer's knowledge at the time, such Affiliated QPAM has addressed, corrected, and remedied any noncompliance and inadequacy or has an appropriate written plan to address any inadequacy regarding the Policies and Training identified in the Audit Report. Such certification must also include the signatory's determination that, to the best of such officer's knowledge at the time, the Policies and Training in effect at the time of signing are adequate to ensure compliance with the conditions of this exemption and with the applicable provisions of ERISA and the Code;

(10) The Risk Committee of UBS's Group AG's Board of Directors is provided a copy of the Audit Report; and a senior executive officer of UBS Group AG's Compliance and Operational Risk Control function must review the Audit Report for each Affiliated QPAM and must certify in writing, under penalty of perjury, that such officer has reviewed the Audit Report;

(11) Each Affiliated QPAM provides its certified Audit Report to the Office of Exemption Determinations (OED) via email to e-OED@dol.gov. This delivery must take place no later than 45 days following completion of the Audit Report. The Audit Reports will be made part of the public record regarding this exemption. Furthermore, each Affiliated QPAM must make its Audit Reports unconditionally available, electronically or otherwise, for examination upon request by any duly authorized employee or

representative of the Department, other relevant regulators, and any fiduciary of a Covered Plan;

(12) The auditor must provide the Department, upon request, for inspection and review, access to all the workpapers created and used in connection with the audit, provided such access and inspection is otherwise permitted by law;

(13) UBS must notify the Department of Labor's Office of Exemption Determinations (OED) of the auditor selected to complete the audits required by Section III(i)(1), six months prior to the start of each audit period. Any engagement agreement with an auditor to perform the audit required by this exemption that is entered into subsequent to the effective date of this exemption must be submitted to OED no later than two months after the execution of such agreement;

(14) At the Department's request, UBS and the Auditor shall provide the Department with updates about the progress of the audit. The Department's requests may be directed to UBS and/or the auditor; and

(15) UBS must notify the Department of a change in the independent auditor no later than two months after the engagement of a substitute or subsequent auditor and must provide an explanation for the substitution or change including a description of any material disputes between the terminated auditor and UBS.

(j) As of the effective date of this exemption, with respect to any arrangement, agreement, or contract between an Affiliated QPAM and a Covered Plan, the QPAM agrees and warrants to Covered Plans:

(1) To comply with ERISA and the Code, as applicable with respect to such Covered Plan; to refrain from engaging in prohibited transactions that are not otherwise exempt (and to promptly correct any prohibited transactions); and to comply with the standards of prudence and loyalty set forth in ERISA section 404 with respect to each such ERISA-covered plan and IRA to the extent that ERISA section 404 is applicable;

(2) To indemnify and hold harmless the Covered Plan for any actual losses resulting directly from the QPAM's violation of any conditions of this exemption, ERISA's fiduciary duties, as applicable, and of the prohibited transaction provisions of ERISA and the Code, as applicable; a breach of contract by the QPAM; or any claim arising out of the failure of such QPAM to qualify for the exemptive relief provided by PTE 84-14 as a result of a violation of PTE 84-14 Section I(g), other than a Covered Conviction. The term "actual losses" includes, but is not limited to, losses and related costs arising from unwinding transactions with third parties and from transitioning plan assets to an alternative asset manager as well as costs associated with any exposure to excise taxes under Code section 4975 as a result of a QPAM's inability to rely upon the relief in PTE 84-14;

(3) Not to require (or otherwise cause) the Covered Plan to waive, limit, or qualify the liability of the QPAM for violating ERISA or the Code for engaging in prohibited transactions;

(4) Not to restrict the ability of the Covered Plan to terminate or withdraw from its arrangement with the QPAM, with respect to any investment in a separately-managed account or pooled fund subject to ERISA and managed by such QPAM, with the exception of reasonable restrictions, appropriately disclosed in advance, that are specifically designed to ensure equitable treatment of all investors in a pooled fund in the event such withdrawal or termination may have adverse consequences for all other investors. In connection with any such arrangement involving investments in pooled funds subject to ERISA entered into after the effective date of this exemption, the adverse consequences must relate to a lack of liquidity of the underlying assets, valuation issues, or regulatory reasons that prevent the fund from promptly redeeming an ERISA-covered plan's or IRA's investment, and such restrictions must be applicable to all such investors and be effective no longer than reasonably necessary to avoid the adverse consequences;

(5) Not to impose any fees, penalties, or charges for such termination or withdrawal with the exception of reasonable fees, appropriately disclosed in advance, that are specifically designed to prevent generally-recognized abusive investment practices or specifically designed to ensure equitable treatment of all investors in a pooled fund in the event such withdrawal or termination may have adverse consequences for all other investors, provided that such fees are applied consistently and in a like manner to all such investors;

(6) Not to include exculpatory provisions disclaiming or otherwise limiting liability of the QPAM for a violation of such agreement's terms. To the extent consistent with ERISA section 410, however, this provision does not prohibit disclaimers for liability caused by an error, misrepresentation, or misconduct of a plan fiduciary or other party hired by the plan fiduciary who is independent of UBS (and affiliates), or damages arising from acts outside the control of the Affiliated QPAM; and

(7) Within 120 days after the effective date of this exemption, each QPAM must provide a notice of its obligations under this Section III(j) to each Covered Plan. For prospective Covered Plans that enter into a written asset or investment management agreement with a QPAM on or after a date that is 120 days after the effective date of this exemption, the QPAM must agree to its obligations under this Section III(j) in an updated investment management agreement between the QPAM and such clients or other written contractual agreement. Notwithstanding the above, a QPAM will not violate the condition solely because a Covered Plan refuses to sign an updated investment management agreement. For new Covered Plans that were provided an investment management agreement prior to the effective date of this exemption, returning it within 120 days after the effective date of this exemption, and that signed investment management agreement requires amendment to meet the terms of the exemption, the QPAM may provide the new Covered Plan with amendments that need not be signed

with any documents required by this subsection (j) within ten (10) business days after receipt of the signed agreement.

(k) Within 60 days after the publication date of the notice of final exemption in the *Federal Register*, each Affiliated QPAM provides notice of the proposed and final exemption as published in the *Federal Register*, along with a summary describing the facts that led to the Criminal Activity (the Summary), which has been submitted to the Department, and a prominently displayed statement (the Statement) that the Criminal Activity results in a failure to meet a condition in PTE 84-14, to each sponsor and beneficial owner of a Covered Plan that has entered into a written asset or investment management agreement with an Affiliated QPAM, or the sponsor of an investment fund in any case where an Affiliated QPAM acts as a sub-adviser to the investment fund in which such ERISA-covered plan and IRA invests. The Summary must be submitted to OED before it is distributed by each Affiliated QPAM. All prospective Covered Plan clients that enter into a written asset or investment management agreement with an Affiliated QPAM after a date that is 60 days after the effective date of this exemption must receive a copy of the notice of the exemption, the Summary, and the Statement before, or contemporaneously with, the Covered Plan's receipt of a written asset or investment management agreement from the Affiliated QPAM. The notices may be delivered electronically (including by an email that has a link to this exemption).

(l) The Affiliated QPAMs must comply with each condition of PTE 84-14, as amended, with the sole exception of the violation of Section I(g) of PTE 84-14 that is attributable to the Criminal Activity. If, during the Exemption Period, an entity within UBS's corporate structure engages in conduct prohibited by Section I(g) of PTE 84-14 (other than the Criminal Activity), relief in this exemption would terminate immediately.

(m)(1) Within 60 days after the date of publication of the exemption, each Affiliated QPAM must designate two senior Compliance Officers (the Compliance

Officers) who will be responsible for compliance with the Policies and Training requirements described herein. For purposes of this condition (m), each relevant line of business within an Affiliated QPAM may designate its own two Compliance Officers. Notwithstanding the above, the appointed Compliance Officers must not be a person who: (i) participated in the criminal conduct underlying the Criminal Activity, or knew of, or (ii) had reason to know of, the Criminal Activity without taking active documented steps to stop the misconduct.

(2) The Compliance Officers must conduct a review of each twelve-month period of the Exemption Period (the Exemption Review), to determine the adequacy and effectiveness of the implementation of the Policies and Training.

(3) With respect to the Compliance Officers, the following conditions must be met:

(i) Each Compliance Officer must be a professional who has extensive experience with, and knowledge of, the regulation of financial services and products, including under ERISA and the Code;

(ii) Each Compliance Officer must have a direct reporting line to the highest-ranking corporate officer in charge of compliance for the applicable Affiliated QPAM or the highest-ranking corporate officer in charge of the applicable Affiliated QPAM; and

(iii) The Compliance Officers responsible for the Exemption Review must provide the Exemption Report described in Section III(m)(4)(ii) to the auditor within seven (7) days of completing the report.

(4) With respect to the Exemption Review, the following conditions must be met:

(i) The annual Exemption Review includes a review of the Affiliated QPAM's compliance with and effectiveness of the Policies and Training and of the

following: any compliance matter related to the Policies or Training that was identified by, or reported to, the Compliance Officers or others within the compliance and risk control function (or its equivalent) during the time period; the most recent Audit Report issued pursuant to this exemption or PTE 2025-03; any material change in the relevant business activities of the Affiliated QPAMs; and any change to ERISA, the Code, or regulations related to fiduciary duties and the prohibited transaction provisions that may be applicable to the activities of the Affiliated QPAMs;

(ii) The Compliance Officers must prepare a written report for the Exemption Review (an Exemption Report) that (A) summarizes their material activities during the prior year; (B) sets forth any instance of noncompliance discovered during the prior year, and any related corrective action; (C) details any change to the Policies or Training to guard against any similar instance of noncompliance occurring again; and (D) makes recommendations, as necessary, for additional training, procedures, monitoring, or additional and/or changed processes or systems, and management's actions on such recommendations;

(iii) In the Exemption Report, each Compliance Officer must certify in writing that to the best of his or her knowledge at the time: (A) the report is accurate; (B) the Policies and Training are working in a manner which is reasonably designed to ensure that the Policies and Training requirements described herein are met; (C) any known instance of noncompliance during the prior year and any related correction taken to date have been identified in the Exemption Report; and (D) the Affiliated QPAMs have complied with the Policies and Training, and/or corrected (or are correcting) any known instances of noncompliance in accordance with Section III(h) above;

(iv) The Exemption Report must be provided to appropriate corporate officers of UBS and to each Affiliated QPAM to which such report relates, and to the head of compliance and the general counsel (or their functional equivalent) of UBS, and

the relevant Affiliated QPAM. The Exemption Report must be made unconditionally available to the independent auditor described in Section III(i) above; and

(v) The Exemption Review, including the Compliance Officers' written annual Exemption Report, must cover the Exemption Period, and the Exemption Review, including the Compliance Officers' written Exemption Report, must be completed within three (3) months following the end of the period to which it relates.

(n) UBS imposes its internal procedures, controls, and protocols on each Misconduct Entity to reduce the likelihood of any recurrence of conduct that is the subject of the Criminal Activity;

(o) Relief in this exemption will terminate on the date that is one year following the date that a U.S. regulatory authority makes a final decision that UBS or an affiliate of either failed to comply in all material respects with any requirement imposed by such regulatory authority in connection with the Criminal Activity.

(p) Each Affiliated QPAM will maintain records necessary to demonstrate that the conditions of this exemption have been met for six (6) years following the date of any transaction for which the Affiliated QPAM relies upon the relief in this exemption;

(q) Within 60 days after the effective date of this exemption, each Affiliated QPAM, in its agreements with, or in other written disclosures provided to Covered Plans, will clearly and prominently inform Covered Plan clients of their right to obtain a copy of the Policies or a description (the Summary Policies) which accurately summarizes key components of the QPAM's written Policies developed in connection with this exemption. If the Policies are thereafter changed, each Covered Plan client must receive a new disclosure within six (6) months following the end of the calendar year during which the Policies were changed.¹⁸ With respect to this requirement, the description may be

¹⁸ If the UBS meets this disclosure requirement through Summary Policies, changes to the Policies shall not result in the requirement for a new disclosure unless, as a result of changes to the Policies, the Summary Policies are no longer accurate.

continuously maintained on a website, provided that such website link to the Policies or Summary Policies is clearly and prominently disclosed to each Covered Plan.

(r) An Affiliated QPAM will not fail to meet the terms of this exemption solely because a different Affiliated QPAM fails to satisfy a condition for relief described in Section III(c), (d), (h), (i), (j), (k), (l), (m), (p), (q), (s), or (u); or if the independent auditor described in Section III(i) fails to comply with a provision of the exemption other than the requirement described in Section III(i)(12), provided that such failure did not result from any actions or inactions of UBS or its affiliates;

(s) If the independent auditor or UBS or its affiliates learns of any material noncompliance with a condition of this exemption, UBS must send a notice (a Violation Notice) to all affected Covered Plans and the Department that prominently and conspicuously states or describes: (1) that UBS, or the UBS QPAM, as applicable, failed to meet the terms of this exemption (and describes the failure); (2) the extent to which UBS QPAMs have potentially been operating without an exemption due to the failure; (3) whether UBS plans to apply for retroactive relief from the Department for this failed condition; (4) any further transactions engaged in by the UBS QPAMs on behalf of Covered Plans that may be non-exempt prohibited transactions unless the Department grants retroactive relief for the period in which the transactions occurred; and (5) UBS must indemnify and hold harmless the Covered Plan for any actual losses resulting directly from the QPAM's failure to comply with any conditions of this exemption, ERISA's fiduciary duties and of the prohibited transaction provisions of ERISA and the Code, a breach of contract by the QPAM, or any claim arising out of the failure of such QPAM to qualify for the exemptive relief provided by PTE 84-14 as a result of a violation of PTE 84-14 Section I(g), other than the Criminal Activity. The Violation Notice must be sent to all affected Covered Plans and the Department within 30 days after the independent auditor becomes aware of the violation. If the Violation Notice is

inadvertently not sent within the 30-day period, the UBS QPAM may self-correct the failure by sending the Violation Notice to all affected Covered Plans and the Department with an addendum describing the failure as soon as practicable upon discovery, but no later than 30 days after the completion of the next scheduled audit.

(t) All the material facts and representations set forth in the Summary of Facts and Representations are true and accurate at all times.

(u) Each UBS QPAM must maintain written processes that clearly describe: (1) how the QPAM identifies and quantifies “actual losses” for purposes of Section III(j)(2); and (2) how Covered Plans may recover or avoid incurring the losses that the UBS QPAM must indemnify or hold Covered Plans harmless from incurring pursuant to Section III(j)(2). Each UBS QPAM must develop these processes and deliver a copy of the processes to each Covered Plan within 90 days after the date the Department publishes a final exemption in the *Federal Register* and notify Covered Plans of any subsequent material changes to the processes within 30 days of the effective date of such changes. QPAMs that have already satisfied this requirement in PTE 2025-03 are deemed to have satisfied the same condition of this exemption.

Exemption Date: This exemption will be in effect for the period beginning on May 5, 2026, through May 5, 2035.

Signed at Washington, DC, this 30th day of April 2026.

Christopher Motta,

Acting Director, Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor.