

treated accordingly. Any non-party wishing to submit comments containing confidential information must serve those comments on the parties to the investigation pursuant to the applicable Administrative Protective Order. A redacted non-confidential version of the document must also be filed with the Commission and served on any parties to the investigation within two business days of any confidential filing. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this investigation may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes. All contract personnel will sign appropriate nondisclosure agreements. All nonconfidential written submissions will be available for public inspection on EDIS.

The Commission has determined to extend the target date for completion of this investigation from June 28, 2023 to September 19, 2023.

The Commission vote for this determination took place on June 28, 2023.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: June 28, 2023.

Lisa Barton,

Secretary to the Commission.

[FR Doc. 2023-14126 Filed 7-3-23; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731-TA-1359 (Review)]

Carton-Closing Staples from China; Termination of Five-Year Review

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission instituted the subject five-year review on April 3,

2023 to determine whether revocation of the antidumping duty order on carton-closing staples from China would be likely to lead to continuation or recurrence of material injury. On June 22, 2023, the Department of Commerce published notice that it was revoking the order effective May 8, 2023, because no domestic interested party filed a timely notice of intent to participate. Accordingly, the subject review is terminated.

DATES: May 8, 2023 (effective date of revocation of the order).

FOR FURTHER INFORMATION CONTACT: Andres Andrade (202-205-2078), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<https://www.usitc.gov>).

Authority: This review is being terminated under authority of title VII of the Tariff Act of 1930 and pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)). This notice is published pursuant to § 207.69 of the Commission's rules (19 CFR 207.69).

By order of the Commission.

Issued: June 29, 2023.

Lisa Barton,

Secretary to the Commission.

[FR Doc. 2023-14173 Filed 7-3-23; 8:45 am]

BILLING CODE 7020-02-P

DEPARTMENT OF LABOR

Employee Benefits Security Administration

[Prohibited Transaction Exemption 2023-15; Exemption Application No. D-12075]

Exemption From Certain Prohibited Transaction Restrictions Involving Pacific Investment Management Company LLC (PIMCO or the Applicant) Located in Newport Beach, California

AGENCY: Employee Benefits Security Administration, Labor.

ACTION: Notice of exemption.

SUMMARY: This document contains a notice of exemption issued by the

Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (ERISA or the Act) and/or the Internal Revenue Code of 1986 (the Code). This exemption allows certain asset managers with specified relationships to PIMCO (the PIMCO Affiliated QPAMs) to continue to rely on the exemptive relief provided by Prohibited Transaction Class Exemption 84-14 (PTE 84-14 or the QPAM Exemption), notwithstanding the judgment of conviction against Allianz Global Investors US LLC (AGI US) for one count of securities fraud (the AGI US Conviction), as described below. This exemption does not grant any relief to AGI US. AGI US submitted an exemption request to the Department (D-12074), which it subsequently withdrew. The Department did not grant any relief to AGI US pursuant to its application or as part of this exemption.

DATES: The exemption will be in effect for a period of five years beginning on the date of the AGI US Conviction, as defined below.

FOR FURTHER INFORMATION CONTACT: Mr. Joseph Brennan of the Department at (202) 693-8456. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: On March 28, 2023, the Department published a notice of proposed exemption in the **Federal Register**¹ permitting the PIMCO Affiliated QPAMs to continue to rely on the exemptive relief provided by the QPAM Exemption² for a period of five years, notwithstanding the judgment of conviction against PIMCO's affiliate, AGI US, for one count of securities fraud.³ The Department is granting this exemption to ensure that the participants and beneficiaries of ERISA-covered Plans and IRAs managed by the PIMCO Affiliated QPAMs (together, Covered Plans) are protected. This exemption provides only the relief specified in the text of the exemption and does not provide relief from violations of any law other than the prohibited transaction provisions of

¹ 88 FR 18333 (March 28, 2023).

² 49 FR 9494 (March 13, 1984), as corrected at 50 FR 41430 (October 10, 1985), as amended at 70 FR 49305 (August 23, 2005), and as amended at 75 FR 38837 (July 6, 2010).

³ Section I(g) of PTE 84-14 generally provides that "[n]either the QPAM nor any affiliate thereof . . . nor any owner . . . of a 5 percent or more interest in the QPAM is a person who within the 10 years immediately preceding the transaction has been either convicted or released from imprisonment, whichever is later, as a result of" certain crimes.

Title I of ERISA and the Code expressly stated herein.

The Department intends for the terms of this exemption to promote adherence by the PIMCO Affiliated QPAMs to basic fiduciary standards under Title I of ERISA and the Code. An important objective in granting this exemption is to ensure that Covered Plans can terminate their relationships with a PIMCO Affiliated QPAM in an orderly and cost-effective fashion in the event the fiduciary of a Covered Plan determines that it is prudent to do so.

Based on the Applicant's adherence to all the conditions of the exemption, the Department makes the requisite findings under ERISA Section 408(a) that the exemption is: (1) administratively feasible, (2) in the interest of Covered Plans and their participants and beneficiaries, and (3) protective of the rights of the participants and beneficiaries of Covered Plans.

Accordingly, affected parties should be aware that the conditions incorporated in this exemption are, individually and taken as a whole, necessary for the Department to grant the relief requested by the Applicant. Absent these or similar conditions, the Department would not have granted this exemption.

The Applicant requested an individual exemption pursuant to ERISA Section 408(a) in accordance with the procedures set forth in 29 CFR part 2570, subpart B (76 FR 66637, 66644, October 27, 2011).

Background

PIMCO is a global investment management firm that manages the assets of ERISA-covered plans on a discretionary basis and advises or sub-advises pooled funds. PIMCO manages approximately \$156 billion in assets for ERISA plans, approximately \$1.89 billion in pooled funds, and approximately \$9.58 billion in collective investment trusts maintained for ERISA and public pension plan investors.

PIMCO routinely relies upon the QPAM Exemption to provide relief for party-in-interest investment transactions. The clients of PIMCO include the Covered Plans, which are plans subject to Part 4 of Title I of ERISA and plans subject to Code Section 4975, with respect to which PIMCO relies on the QPAM Exemption or has expressly represented that it qualifies as a QPAM or relies on the QPAM Exemption. PIMCO also may in the future acquire other asset managers that rely upon the QPAM exemption. This exemption applies to PIMCO and other asset managers that are affiliated with PIMCO and that are 100 percent

owned, directly or indirectly, by PIMCO (the PIMCO Affiliated QPAMs).

Relevant ERISA Provisions and PTE 84-14

The QPAM Exemption exempts certain prohibited transactions between a party in interest and an "investment fund" (as defined in Section VI(b) of PTE 84-14) in which a plan has an interest if the investment manager meets the definition of "qualified professional asset manager" (QPAM) and satisfies additional conditions of the exemption. The Department developed and granted the QPAM Exemption based on the essential premise that broad relief could be afforded for all types of transactions in which a plan engages with parties in interest only if the commitments and investments of plan assets and the negotiations leading thereto are the sole responsibility of an independent, discretionary investment manager.⁴

Section I(g) of the QPAM Exemption prevents an entity that may otherwise meet the definition of QPAM from utilizing the exemptive relief provided by the QPAM exemption, for itself and its client plans, if that entity, an "affiliate" thereof,⁵ or any direct or indirect five percent or more owner of the QPAM has been either convicted or released from imprisonment, whichever is later, as a result of criminal activity described in section I(g) within the 10 years immediately preceding the transaction. The Department included Section I(g) in the QPAM Exemption, in part, based on its expectation that a QPAM, and those who may be in a position to influence a QPAM's policies, must maintain a high standard of integrity.

Criminal Charges Against AGI US

On May 17, 2022, the Department of Justice filed a criminal information in the District Court for the Southern District of New York charging AGI US with one count of securities fraud (the Information).⁶ AGI US resolved the

charges through a plea agreement (the Plea Agreement) under which it agreed to enter a guilty plea to the charge set out in the Information. The judgment of the Conviction against AGI US is scheduled to be entered in District Court on July 12, 2023, in Case Number 1:22-cr-00279-CM.⁷

According to the Statement of Facts that served as the basis for the Plea Agreement (the Statement of Facts), beginning in at least 2014 and continuing through March 2020, AGI US engaged in a scheme to defraud investors in a series of private investment funds (the Structured Alpha Funds) that at their height held over \$11 billion in assets under management (the Misconduct). The investors that were victims of the Misconduct included ERISA-covered Plans. The fraudulent scheme was carried out by the three managers in AGI US's Structured Products Group who were primarily responsible for managing the Structured Alpha Funds (collectively, the Fund Managers).⁸

According to the Statement of Facts, AGI US made false and misleading statements to investors that substantially understated the risks being taken by the Structured Alpha Funds and failed to disclose and sought to affirmatively withhold relevant risk information. AGI US repeatedly represented to investors that their investments were low-risk and designed to minimize the risk of large losses. Despite these assurances, AGI US deployed an investment strategy that prioritized returns over effective risk management by, among other things, taking aggressive options bets and devoting insufficient resources to hedge positions. When investors sought to obtain documentation to assess investment risk, AGI responded by providing manually altered data.

According to the Statement of Facts, while the Misconduct was perpetrated by the Fund Managers within AGI US's Structured Products Group, these individuals were able to carry out the fraud, in part, because AGI US lacked sufficient internal controls and oversight for the Structured Alpha Funds. AGI US's control functions were not designed and did not function to ensure that risk for the Structured Alpha Funds was being monitored in line with the disclosures AGI US made to investors. Further, AGI US's Compliance, Enterprise Risk

Regulations, section 240.10b-5, and title 18, United States Code, section 2.

⁷ The date the Conviction will be entered may change, subject to judicial approval.

⁸ The three managers were Gregoire Tournant, Trevor Taylor, and Stephen Bond-Nelson.

⁴ See 75 FR 38837, 38839 (July 6, 2010).

⁵ Section VI(d) of PTE 84-14 defines the term "affiliate" for purposes of Section I(g) as "(1) Any person directly or indirectly through one or more intermediaries, controlling, controlled by, or under common control with the person, (2) Any director of, relative of, or partner in, any such person, (3) Any corporation, partnership, trust or unincorporated enterprise of which such person is an officer, director, or a 5 percent or more partner or owner, and (4) Any employee or officer of the person who—(A) Is a highly compensated employee (as defined in Section 4975(e)(2)(H) of the Code) or officer (earning 10 percent or more of the yearly wages of such person), or (B) Has direct or indirect authority, responsibility or control regarding the custody, management or disposition of plan assets."

⁶ In violation of title 15, United States Code, sections 78j(b) and 78ff, title 17, Code of Federal

Management, and Legal departments were unaware that many of the misleading disclosures described above were being sent to investors at all, with or without alterations. The Fund Managers thus were able to employ more aggressive investment strategies than they disclosed they would employ, thereby exposing investors to undisclosed risk.

AGI US's failure to address data quality issues in back-office functions allowed the Fund Managers' fraudulent scheme to continue undetected. In this regard, multiple AGI US employees within the Structured Products Group who were not directly involved in the fraudulent scheme were nonetheless aware that the Fund Managers were altering numbers on certain disclosures before sending them to investors. To cover up their wrongdoing, the Fund Managers explained to their Structured Products colleagues that they were simply correcting "errors" in disclosures generated by back-office functions.

The Limited Scope of the Misconduct

In its Statement of Facts, the Department of Justice states the following: "The misconduct occurred only within the small Structured Products Group at AGI US. The Government's investigation has not revealed evidence that anyone at AGI US outside of the Structured Products Group was aware of the misconduct before March 2020. The investigation also has not revealed that anyone at any other organizations that fell within the broader umbrella of the parent company Allianz SE was aware of or participated in the misconduct."

PIMCO's Affiliation With AGI US

PIMCO is a direct subsidiary of the following three entities that are indirectly wholly owned by Allianz SE (Allianz): (1) Allianz Asset Management of America L.P. (AAM) (77.9 percent ownership of PIMCO); (2) Allianz Asset Management of America LLC (11.4 percent ownership of PIMCO); and (3) Allianz Asset Management Holding II LLC (2.4 percent of PIMCO). PIMCO's parent and managing member is AAM, which is generally responsible for oversight of PIMCO on behalf of Allianz. Allianz is PIMCO's ultimate parent company. Allianz also indirectly owns 100 percent of AGI US, the entity that engaged in the fraudulent scheme. Thus, PIMCO and AGI US are affiliates for the purposes of Section I(g) of the QPAM Exemption. As affiliates of AGI US, the PIMCO Affiliated QPAMs would no longer be able to rely on the relief provided by the QPAM Exemption once

AGI US is sentenced in connection with its conviction, absent this exemption.

Separation of PIMCO From AGI US

The Applicant made the following representations regarding how PIMCO acts independently from AGI US.

PIMCO operates autonomously and independently from both Allianz and AGI US, and PIMCO has no directors, officers, or employees in common with Allianz, AAM, or any other Allianz subsidiary. PIMCO asserts that Allianz employees do not have access to PIMCO's systems and are not involved in any way in the PIMCO Affiliated QPAMs' investment processes. PIMCO's management of plan assets is conducted separately from (a) the investment management activities of AGI US; (b) the non-investment management business activities of Allianz; and (c) the conduct underlying the AGI US Conviction. Further, Allianz employees are not involved in the portfolio management of PIMCO accounts, nor do they supervise or oversee PIMCO's portfolio management activities. Investment decisions for PIMCO accounts, including decisions regarding investment strategy, are made by PIMCO personnel pursuant to PIMCO policies, procedures, and guidelines, without consultation with Allianz or AGI US.

Allianz has delegated to the PIMCO Management Board the authority to manage all of PIMCO's business affairs, except for certain extraordinary matters where Allianz retains approval rights. The PIMCO Management Board, which is comprised solely of PIMCO's Managing Directors, relies upon the PIMCO Executive Committee as the primary governance body for review and approval of significant matters. There are no representatives of Allianz (or other non-PIMCO personnel) on the Management Board.

The Applicant represents that the PIMCO Executive Committee has authority for most significant matters and is currently composed of nine voting members and two non-voting members, all of whom are PIMCO Managing Directors. PIMCO's Senior Executive Officers are elected by the PIMCO Management Board and may be removed by the PIMCO Executive Committee and the PIMCO Performance and Compensation Committee.

PIMCO states that Allianz and the other Allianz subsidiaries do not have a role in the governance of PIMCO's global subsidiaries. PIMCO's global offices are primarily organized as direct or indirect subsidiaries of PIMCO, and each has its own defined governance structure. Nonetheless, PIMCO's global affiliates are subject to PIMCO's

oversight as the direct or indirect parent entity. Except as otherwise required by applicable local law, PIMCO conducts oversight of its global affiliates through the application of PIMCO's global policies.

PIMCO states that it does not share information or coordinate investment management decisions with Allianz or other Allianz asset management subsidiaries, including AGI US. Among other things, PIMCO does not share investment research, portfolio holdings, client information, or trade information, and all trading decisions are made independently. Also, PIMCO does not coordinate proxy voting and makes all decisions, including decisions with respect to the valuation of securities, independently and pursuant to its own valuation policies and procedures. Further, PIMCO's products, including funds for which PIMCO Investments is the principal underwriter, are distributed independently; and PIMCO's technology and proprietary trading systems are not shared.

PIMCO does contract with Allianz insurance subsidiaries for the management of insurance portfolios, and therefore PIMCO shares information and holdings with respect to those activities as they would with their other clients. Regarding Allianz as a parent, information flows are limited to those necessary for appropriate prudent oversight, supervision of controls, and groupwide financial reporting and regulatory requirements.

Finally, hiring, termination, and compensation decisions for PIMCO personnel and executives are determined entirely pursuant to PIMCO's processes, independent of any influence by Allianz and Allianz asset management subsidiaries. Allianz (but no other Allianz affiliate) retains the right to approve the hiring of PIMCO's CEO, Group CIO, CFO, General Counsel, and head of Compliance.

Hardship to Covered Plans

The Applicant represents that Covered Plans would suffer the following hardships if PIMCO loses its eligibility to rely on the QPAM Exemption.

Without the ability to rely upon the QPAM exemption, PIMCO asserts that it will be unable to effectively implement the investment strategies that Covered Plans engaged PIMCO to pursue. Consequently, PIMCO assumes that Covered Plans will terminate their relationship with PIMCO and seek out alternative asset managers. According to PIMCO, the transaction costs to Covered Plans of changing managers are significant, especially in many of the

strategies employed by the PIMCO. These costs, which include the cost of liquidating assets, identifying and selecting new managers, and then reinvesting those assets, would be borne by the Covered Plans and their participants. Further, the process for transitioning to a new manager is typically lengthy and likely would involve numerous steps, each of which could last several months. These steps could include retaining a consultant, engaging in a request for proposals, negotiating contracts, and ultimately transitioning assets. For a more complete description of PIMCO's representations regarding the harm to Covered Plans if the exemption is not granted, please refer to the proposed exemption.

PIMCO currently manages 451 ERISA plan institutional separate accounts, representing \$170.35 billion in assets under management. 82.3% of these 451 plan accounts, representing \$155.15 billion in assets, invest in cash bonds and derivatives, whereas 17.7% of the accounts, representing \$15.2 billion in assets, invest only in cash bonds. Because of the critical role played by derivatives, PIMCO believes that a Covered Plan that selects PIMCO to actively manage its fixed income portfolio pursuant to a broad set of guidelines, including derivatives, would be unlikely to retain PIMCO to run a cash bond strategy in the absence of the QPAM Exemption.

Based on its understanding of the experience of other asset managers who did not receive a QPAM exemption, and who lost at least some plan business, PIMCO believes that it is likely that many of its plan clients whose guidelines permit derivatives would terminate their relationship if PIMCO could no longer trade in derivatives for those plans because PIMCO would be limited in its ability to manage a portfolio consistent with such clients' objectives. The Department notes that PIMCO was unable to provide a precise estimate of the size or significance of the plan assets affected.

In the absence of an exemption, PIMCO represents that Covered Plans that choose to remain with PIMCO would have a circumscribed set of transactions available to them and could be prohibited from engaging in certain transactions that would be beneficial, such as hedging transactions using over-the-counter options or derivatives. Counterparties to such transactions are far more comfortable with the QPAM Exemption than any other existing exemption, and the unavailability of the QPAM Exemption could trigger a default or early termination. Even if

other exemptions were acceptable to such counterparties, the associated transaction costs might well increase to reflect any lack of comfort with relying on another exemption.

The PIMCO Affiliated QPAMs also have entered, and could in the future enter, into contracts for other transactions such as swaps, forwards, real estate financing and leasing on behalf of their ERISA clients. The Applicant represents that: (a) these and other strategies and investments require the PIMCO Affiliated QPAMs to meet the conditions of the QPAM Exemption; (b) the loss of the QPAM Exemption could disrupt the plans using each of these strategies, as counterparties to those transactions could seek to terminate their contracts, resulting in significant losses to their Covered Plan clients; and (c) certain derivatives transactions and other contractual agreements automatically and immediately could be terminated, without notice or action, or could become subject to termination upon notice from a counterparty in the event PIMCO no longer qualifies for relief under the QPAM Exemption.

The Applicant submits that the question of which applicable exemption can be used is entirely at the discretion of the counterparty; if the counterparty is uncomfortable with the risks presented by other exemptions, it will simply terminate the ongoing transaction based on the plan's default (considered to occur if its investment manager is no longer able to use the QPAM Exemption). While PIMCO could argue that other exemptions apply, whether to accept that exemption is the decision of the counterparty, and the strongest counterparties generally will take the smallest legal risk on exemptive relief. PIMCO states that because the Department has never issued any guidance on the applicability of other exemptions to transactions involving cleared and over-the-counter swaps, PIMCO's Covered Plan clients could be at a disadvantage with respect to those transactions.

PIMCO represents that the cost of terminating an investment is the difference between the bid and ask price on the instrument since, generally, these investments are terminated earlier than contemplated and on the counterparty's side of the market. Some investments, however, are more liquid than others (e.g., Treasury bonds generally are more liquid than foreign sovereign bonds, and equities generally are more liquid than swaps). Some of the strategies followed by PIMCO tend to be less liquid than certain other strategies and, thus, the transition costs would be significantly

higher than, for example, liquidating a large cap equity portfolio. The Applicant believes that, depending on the strategy, the cost of liquidating assets in connection with transitioning clients to another manager could be significant.

In the proposed exemption, PIMCO provided an assessment of the potential harm to Covered Plans if this exemption is not granted, both in the aggregate and with respect to a representative Covered Plan account, under orderly, stressed, and expedited scenarios in which all the Covered Plans decide to terminate their relationships with PIMCO. The Department refers readers to the proposed exemption for more detail regarding these harms.⁹

Department Note

The Department notes that this exemption includes protective conditions that allow Covered Plans to continue to utilize the services of a PIMCO Affiliated QPAM if they determine that it is prudent to do so. The Department's primary objective in granting this exemption is to allow Covered Plans to avoid cost and disruption to investment strategies that may arise if such Covered Plans are forced, on short notice, to hire a different QPAM or asset manager because the PIMCO Affiliated QPAM is no longer able to rely on the relief provided by the QPAM Exemption due to the Conviction.

Written Comments

In the proposed exemption, the Department invited all interested persons to submit written comments and/or requests for a public hearing with respect to the notice of proposed exemption by May 12, 2023. The Department received one written comment from the Applicant and no requests for a public hearing. The Department discusses the Applicant's comments below.

I. Comments From the Applicant

Comment 1: Exemption Period

Section I(d) of the proposed exemption states: *The term "Exemption Period" means May 17, 2023, through May 16, 2028.*

The Applicant requests that the Department extend the term of the exemption to ten years, which would cover the entire period of disqualification. As support for this request, the Applicant asserts that the PIMCO Affiliated QPAMs operate their business separately and autonomously from Allianz and its subsidiaries and

⁹ See 88 FR 18339-18340 (March 28, 2023).

that Allianz and its subsidiaries, including AGI US, are not involved in any way in the PIMCO Affiliated QPAMs' investment processes. According to the Applicant, PIMCO's independence is embedded in PIMCO's governance and documented in written agreements between the PIMCO Affiliated QPAMs and Allianz that contemplate explicitly that the PIMCO Affiliated QPAMs will operate independently from any other Allianz asset management subsidiaries and, accordingly, function as competitors in the asset management marketplace. The Applicant maintains that the PIMCO Affiliated QPAMs' autonomy is demonstrated by the separation of all business functions, including investment management activities and control functions, and legal and compliance functions.

The Applicant submits that a truncated period of relief would penalize PIMCO's Covered Plan clients for the isolated misconduct of three individuals employed by AGI US and that withholding exemptive relief under the circumstances would not render such conduct less likely, nor would a five-year initial term serve any administrative purpose. Put differently, even if the Department were to re-evaluate the propriety of exemptive relief after five years, the key requirements of the exemption could not provide any additional assurance, beyond that already provided by the complete separation between PIMCO and AGI US, that the Applicant's plan clients would be unaffected by future misconduct at AGI US.

Regardless of the length of the term, the Applicant requests that the proposed exemption define the "Exemption Period" as a period beginning on the date of the AGI US Conviction. The Applicant states that because the AGI US Conviction will not occur on May 17, 2023, as originally scheduled, the definition of "Exemption Period" would not accurately reflect the date of the AGI US Conviction.

Department's Response: The Department declines to extend the term of the exemption to ten years. The misconduct perpetrated within the Structured Products Group at AGI US was serious and directly involved ERISA-covered plan assets. The Department disagrees with the Applicant's characterization that the misconduct was "the isolated acts of three individuals." As alleged in the Department of Justice's May 17, 2022 release and discussed earlier in this preamble, "Much of this historic fraud was made possible because AGI's control environment was not designed

to verify that [the three individuals] were telling the truth. Because AGI, a registered investment adviser, failed to provide meaningful oversight, [the three fund managers] were able to deceive investigators about the risks they were taking with their money." This exemption's five-year term and protective conditions reflect the Department's intent to protect Covered Plans that entrust retirement assets to a PIMCO Affiliated QPAM, despite the serious misconduct and supervisory failures of PIMCO's affiliate. Further, the limited term of this exemption provides the Department the opportunity to review the adherence by the PIMCO Affiliated QPAMs to the conditions established in this exemption before determining whether to extend the relief provided in this exemption for an additional term.

The Department agrees with the Applicant's second requested change and accordingly has modified this exemption to provide that the exemption period begins on the date of the AGI US Conviction.

Comment 2: PIMCO Related QPAMs

The Applicant requests the deletion of Section I(h), which defines the term "PIMCO Related QPAMs" and all references to PIMCO Related QPAMs throughout the exemption. The Applicant represents that no such entities exist or are expected to exist in the future, and, as such, no relief is necessary for PIMCO Related QPAMs.

Department's Response: The Department agrees with the Applicant's requested change and has updated the exemption to remove all references to PIMCO Related QPAMs accordingly.

Comment 3: Participation in Misconduct

Section III(a) of the proposed exemption states: *The PIMCO Affiliated QPAMs and the PIMCO Related QPAMs (including their officers, directors, agents other than AGI US, and employees of such QPAMs) did not know or have reason to know of and did not participate in the Misconduct that is the subject of the AGI US Conviction. Further, any other party engaged on behalf of the PIMCO Affiliated QPAMs and PIMCO Related QPAMs who had responsibility for, or exercised authority in connection with the management of plan assets did not know nor have reason to know of and did not participate in the Misconduct that is the subject of the AGI Conviction. For purposes of this proposed exemption, "participate in" refers not only to active participation in the Misconduct of AGI US that is the subject of the AGI US Conviction, but also to knowing*

approval of the Misconduct, or knowledge of such Misconduct without taking active steps to stop it, including reporting the Misconduct to the individual's supervisors and to the Board of Directors.

The Applicant requests that this condition require reporting to the PIMCO Executive Committee because PIMCO does not have a formal Board of Directors. The Applicant states that the PIMCO Executive Committee determines PIMCO's strategic direction and oversees the broad scope of its operations. As such, requiring reporting to the Executive Committee would better reflect PIMCO's organizational structure.

Department's Response: The Department agrees with the Applicant's request and has modified Section (III)(a) accordingly.

Comment 4: Compensation

Section III(b) of the proposed exemption states: *The PIMCO Affiliated QPAMs and the PIMCO Related QPAMs (including their officers, directors, and agents other than AGI US, and employees of such PIMCO 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 Misconduct that is the subject of the AGI US Conviction. Further, any other party engaged on behalf of the PIMCO Affiliated QPAMs and the PIMCO Related QPAMs who had responsibility for or exercised authority in connection with the management of plan assets did not receive direct compensation nor knowingly receive indirect compensation in connection with the Misconduct that is the subject of the AGI US Conviction.*

The Applicant requests that the prohibition on receiving direct compensation be limited to knowingly doing so. The Applicant states that, as the Department recognized by narrowing the prohibition on receipt of indirect compensation to knowing receipt, inadvertent receipt of compensation, whether direct or indirect, should not disqualify PIMCO from exemptive relief.

Department's Response: The Department declines to make the Applicant's requested change. Throughout its application and comment letter, PIMCO emphasized the complete separation and independence between PIMCO and AGI US—not only organizationally but also with respect to their investment processes. Before submitting this comment, the Applicant

had not mentioned that the PIMCO Affiliated QPAMs may have received direct compensation in connection with the criminal misconduct of AGI US. Further, this comment does not provide any detail on the type of direct compensation that may have been received. For these reasons, the Department declines to make the requested change.

Comment 5: Employment of Individuals Who Participated in the Misconduct

Section III(c) of the proposed exemption states: *The PIMCO Affiliated QPAMs do not currently and will not in the future employ or knowingly engage any of the individuals who participated in any of the Misconduct, or any individual who was employed in AGI US's Structured Products Group from January 1, 2014, through March 31, 2020.*

The Applicant requests that there be no prohibition on the employment of any individual who was employed by AGI US's Structured Products Group, other than the three individuals who participated in the misconduct. The Applicant states that the Department of Justice made clear that only three individuals were involved in the misconduct that was the subject of the AGI US Conviction and the wrongdoing of these three individuals should not be imputed to the entire Structured Products Group, including, for example, support staff, secretaries, and information technology specialists. As a practical matter, PIMCO does not have and cannot gain access to employment records for AGI US and, therefore, is not able to verify compliance with this condition unless the former AGI US employee indicates such employment on his or her resume.

The Applicant submits that prohibiting employment by the PIMCO Affiliated QPAMs of the three individuals identified by the Department of Justice as having participated in the misconduct adequately protects Covered Plans and their participants from any influence by the wrongdoers, and a far broader prohibition affects a hardship on innocent employees.

Department's Response: The Department declines to make the Applicant's requested change in part. The Department will modify Section III(c) by deleting the reference to "any individual who was employed in AGI US's Structured Products Group from January 1, 2014, through March 31, 2020." The condition now states: *The PIMCO Affiliated QPAMs do not currently and will not in the future employ or knowingly engage any of the*

individuals who participated in any of the Misconduct, or any of the individuals who were referenced in the DOJ Statement of Facts as having known about the Misconduct without reporting the Misconduct. The PIMCO QPAMs should make every effort to ensure that no employees who participated in the Misconduct, including anyone who knew about the Misconduct and failed to report it, is employed by a PIMCO Affiliated QPAM and use every reasonably available resource to identify these employees, including during PIMCO's hiring processes.

Comment 6: Direction of Investment Fund

Section III(d) of the proposed exemption states: *At all times during the Exemption Period, no PIMCO 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 PIMCO Affiliated QPAM in reliance on PTE 84-14 or with respect to which a PIMCO Affiliated QPAM has expressly represented to an ERISA-covered plan or IRA with assets invested in such "investment fund" that it qualifies as a QPAM or relies on the QPAM class exemption, to enter into any transaction with AGI US or to engage AGI US 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.*

The Applicant requests that the term "investment fund" be replaced with the term "Covered Plan" because the description of "investment fund" in the proposed exemption duplicates the definition of Covered Plan, and the use of the term Covered Plan would be clearer and less ambiguous while achieving the same result.

Department's Response: The Department does not agree that the requested change provides any additional clarity and, therefore, is not making the requested change.

Comment 7: Conditions Relating to AGI US

Section III(g) of the proposed exemption states: *Other than with respect to employee benefit plans maintained or sponsored for its own employees or the employees of an affiliate, AGI US will not 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; provided, however, that PIMCO*

will not be treated as violating the conditions of this exemption solely because AGI US acted as an investment advice fiduciary within the meaning of ERISA Section 3(21)(A)(ii) or Code Section 4975(e)(3)(B).

Section III(n) of the proposed exemption provides: *AGI US complies in all material respects with the requirements imposed by a U.S. regulatory authority in connection with the AGI US Conviction.*

The Applicant requests that these provisions be deleted because PIMCO is entirely separate from the Allianz entities and, as such, PIMCO has no control whatsoever over AGI US and could do nothing to ensure these conditions are met. The Applicant submits that imposing conditions upon PIMCO over which PIMCO has no control is not protective of Covered Plans and their participants, nor does it further their interests. Conversely, imposing a condition that is entirely outside of PIMCO's control could potentially harm plans if AGI US does not comply, as PIMCO would have no way to remedy the breach but would lose advantageous exemptive relief, nonetheless.

If the Department declines to delete the conditions, the Applicant requests that they be narrowed to actions within PIMCO's control—i.e., that PIMCO will not contribute to any actions by AGI US as a fiduciary or to any failure by AGI US to comply with regulatory requirements.

Department's Response: The Department declines to make the Applicant's requested changes. The Department notes that Allianz is the parent entity of both PIMCO and AGI US and should ensure that AGI US complies with the requirements imposed by a U.S. regulatory authority in connection with the AGI US Conviction.

Comment 8: Timing of Policies

Section III(h)(1) of the proposed exemption states: *Within 180 calendar days of the effective date of this five-year exemption, each PIMCO Affiliated QPAM must immediately develop, maintain, implement, and follow written policies and procedures (the Policies).*

The Applicant requests the deletion of the term "immediately." Because the Proposal expressly allows 180 days for the development and implementation of the Policies, the Applicant assumes the contradictory requirement to do so immediately was inadvertent.

Department's Response: The Department agrees with the Applicant's request and has modified Section III(h)(1) accordingly.

Comment 9: Misrepresentation to Regulators

Section III(h)(1)(v) of the proposed exemption states: *To the best of the PIMCO Affiliated QPAM's knowledge at the time, the PIMCO Affiliated 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.*

The Applicant submits that the clause prohibiting material misrepresentations and omission of material information in communications with regulators is duplicative of the immediately preceding condition, which requires all filings and statements to regulators to be "materially accurate and complete." While Section III(h)(1)(iv) concerns communications with regulators, Section III(h)(1)(v) should be devoted solely to communications with Covered Plans.

The Applicant requests that Section III(h)(1)(v) be modified to read: *To the best of the PIMCO Affiliated QPAM's knowledge at the time, the PIMCO Affiliated QPAM does not make material misrepresentations or omit material information in its communications with Covered Plans.*

Department's Response: The Department declines to make the requested change. Mandating that the PIMCO Affiliated QPAMs not make material misrepresentations or omit material information in their communications with regulators is an important protection for Covered Plans and the Department is not persuaded that the PIMCO Affiliated QPAMs will be unable to comply with Sections III(h)(1)(iv) and (v) as they are currently written.

Comment 10: Violations and Failures To Comply

Section III(h)(1)(vii) of the proposed exemption states, in pertinent part: *Any violation of or failure to comply with an item in subparagraphs (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, to the head of compliance and the General Counsel (or their functional equivalent) of the relevant line of business that engaged in the violation or failure, and the*

independent auditor responsible for reviewing compliance with the Policies.

The Applicant requests clarification that any violation or failure to comply must be reported to the head of compliance and the General Counsel of the relevant PIMCO Affiliated QPAM, rather than the relevant line of business. Currently, these are the Chief Compliance Officer and General Counsel of PIMCO LLC. The Applicant states that this change would better reflect PIMCO's organizational structure, which generally does not have separate general counsels or chief compliance officers for different lines of business.

Department's Response: The Department agrees with the Applicant's requested change and has modified Section III(h)(1)(vii) accordingly.

Comment 11: Audit Periods

Section III(i)(1) of the proposed exemption states: *Each PIMCO Affiliated QPAM must submit to an audit conducted every two years by an independent auditor who has been prudently selected and has appropriate technical training and proficiency with ERISA and the Code to evaluate the adequacy of the Policies and Training conditions described herein and each PIMCO Affiliated QPAM's compliance with them. The audit requirement must be incorporated into the Policies. Each audit must cover the preceding consecutive twelve (12) month period. The first audit under this exemption must cover the period from May 17, 2023, through May 16, 2024, and must be completed by November 16, 2024. The second audit must cover the period from May 17, 2025, through May 16, 2026, and must be completed by November 16, 2026. The third audit must cover the period from May 17, 2027, through May 16, 2028, and must be completed by November 16, 2028.*

The Applicant submits that the dates for the audit cycles should be calculated from the date of the AGI US Conviction, rather than from May 17, 2023.

Department's Response: The Department agrees with the Applicant's requested change and has modified Section III(i)(1) accordingly.

Comment 12: Audit Report

Section III(i)(5) and Section III(i)(7) of the proposed exemption state, in pertinent part:

(5) For each 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 PIMCO and the PIMCO Affiliated QPAM to which the audit applies that describes the

procedures performed by the auditor during its examination. . . .

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

The Applicant requests clarification to reflect that the PIMCO Affiliated QPAMs comprise the universe of managers that would utilize this exemption. By their terms, these conditions assume that PIMCO is a separate entity from the Affiliated QPAMs, which is not factually accurate because PIMCO is currently the sole Affiliated QPAM. Thus, the Applicant requests that the Department revise the phrases "PIMCO and the PIMCO Affiliated QPAM" and "PIMCO or the PIMCO Affiliated QPAM" to "the PIMCO Affiliated QPAM."

Department's Response: The Department accepts the Applicant's clarification and affirms that the PIMCO Affiliated QPAMs comprise the universe of managers that would utilize this exemption.

Comment 13: Certification of Audit Report

Section III(i)(8) of the proposed exemption states: *The PIMCO Board of Directors is provided with a copy of each Audit Report, and a senior executive officer with a direct reporting line to the highest-ranking legal compliance officer of PIMCO must review the Audit Report for each PIMCO Affiliated QPAM and certify in writing under penalty of perjury that such officer has reviewed the Audit Report.*

The Applicant requests that this condition require reporting to the PIMCO Executive Committee, rather than the Board of Directors. In addition, the Applicant requests that this condition require certification of the Audit Report by a senior executive officer, without the requirement that the senior executive officer report to the

highest-ranking legal compliance officer of PIMCO. The Applicant states that the term “senior executive officer” in this condition is undefined and, while there are many experienced personnel who report to PIMCO’s Chief Compliance Officer, they are not necessarily the most senior executive officers at the firm in terms of overall managerial responsibility.

Department’s Response: The Department declines to make the Applicant’s requested change, in part. The Department agrees that the audit report should be provided to the PIMCO Executive Committee, rather than the Board of Directors. The Department, however, disagrees with the Applicant’s other requested change. While this condition requires that the designated audit-certifying senior executive officer must have a direct reporting line to the highest-ranking legal compliance officer of PIMCO, such designated officer does not need to be one of the most senior executive officers at the firm in terms of overall managerial responsibility.

Comment 14: Compliance With ERISA and the Code

Section III(j)(1) of the proposed exemption states that the PIMCO Affiliated QPAMs will agree and warrant: *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 inadvertent 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).*

The Applicant requests the deletion of the term “inadvertent” with respect to the correction of prohibited transactions, claiming that limiting the obligation to correct prohibited transactions to only those that are inadvertent would not serve the interest of plans. The Applicant states that the PIMCO Affiliated QPAMs would endeavor to promptly correct any prohibited transaction, whether or not inadvertent, and are prepared to agree and warrant to that effect to Covered Plans.

Department’s Response: The Department accepts the Applicant’s requested change and has modified Section III(j)(1) accordingly.

Comment 15: Indemnification

Section III(j)(2) of the proposed exemption states that the PIMCO Affiliated QPAMs will agree and warrant: *To indemnify and hold*

harmless the Covered Plan for any actual losses resulting directly from the PIMCO Affiliated QPAM’s violation of 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 PIMCO Affiliated QPAM to qualify for the exemptive relief provided by PTE 84–14 as a result of a violation of Section I(g) of PTE 84–14, other than the Conviction. This condition applies only to actual losses caused by the PIMCO Affiliated QPAM’s violations. Actual losses include 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 because of PIMCO’s inability to rely upon the relief in the QPAM Exemption.

The Applicant requests that the Department modify this condition so that only a material breach of contract by a PIMCO Affiliated QPAM will trigger the indemnification provision. The Applicant states that a nonmaterial breach of a contract, such as an ancillary provision that does not affect the fundamental aspects of the contract, typically does not provide a basis for contractual remedies. Mandating indemnification for nonmaterial breaches by a QPAM would invite myriad claims arising over minor or technical aspects of the contract, including claims for consequential or punitive damages, which are commonly excluded from most agreements, but which the QPAMs nonetheless would be obligated to defend, and which would expend valuable resources that would be better utilized in serving plans. The Applicant urges the Department to limit the meaning of actual losses to losses and related costs directly arising from unwinding and excise tax exposure. The Applicant argues that expanding the definition of “actual losses” beyond direct costs could encourage plans to seek indemnification for indirect and incidental losses only tenuously or remotely arising from the QPAM’s actions.

Department’s Response: The Department declines to make the Applicant’s requested change. The Department notes that this condition has been included in several previously granted QPAM individual exemptions, and the Department is not aware of any instances of the harm that has been identified by the Applicant in this comment.

Comment 16: Exemption Review

Section III(m)(2)(i) of the proposed exemption states: *The annual Exemption Review includes a review by the Compliance Officer of: (A) the PIMCO Affiliated QPAM’s compliance with and effectiveness of the Policies and Training; (B) any compliance matter related to the Policies or Training that was identified by, or reported to, the Compliance Officer or others within the compliance and risk control function (or its equivalent) during the previous year; (C) the most recent Audit Report issued pursuant to this exemption; (D) any material change in the relevant business activities of the PIMCO Affiliated QPAMs; and (E) 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 PIMCO Affiliated QPAMs.*

The Applicant requests that the above description be modified to reflect that the Compliance Officer must review “any material error, recommendation, and compliance failure identified in the” Audit Report. The Applicant submits that this modification would be helpful to clarify that the focus of the Compliance Officer’s review of the Audit Report should be the correction of errors and compliance failures and the implementation of recommendations, rather than the entirety of the Audit Report generally.

Department’s Response: The Department agrees with the Applicant’s request and has modified Section III(m)(2)(i) accordingly.

Comment 17: Timing of Exemption Review

Section III(m)(2)(iii) of the proposed exemption states, in relevant part: *The annual Exemption Review, including the Compliance Officer’s written Report, must be completed within 90 calendar days following the end of the period to which it relates. The annual Exemption Reviews under this exemption must cover the following periods: May 17, 2023, through May 16, 2024; May 17, 2024, through May 16, 2025; May 17, 2025, through May 16, 2026; May 17, 2026, through May 16, 2027; May 17, 2027, through May 16, 2028.*

The Applicant requests that the dates for the Exemption Review cycles be calculated from the date of the AGI US Conviction, rather than from May 17, 2023.

Department’s Response: The Department accepts the Applicant’s requested change and has modified Section III(m)(2)(iii) to calculate the

Exemption Review periods from the date of the AGI US Conviction.

Comment 18: Summary Policies

Section III(q) of the proposed exemption states: *Within 60 calendar days after the effective date of this exemption, each PIMCO 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 (Summary Policies) which accurately summarizes key components of the PIMCO Affiliated 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 180 calendar days following the end of the calendar year during which the Policies were changed. With respect to this requirement, the description may be 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.*

The Applicant requests that this condition allow 240 days after the effective date of the exemption to notify Covered Plans of their right to Policies or Summary Policies. Pursuant to Section III(h), the PIMCO Affiliated QPAMs have 180 days to develop and implement the Policies. The Applicant states that the notification deadline should occur after the development period for the Policies because notifying plans of their right to Policies that do not yet exist would serve only to confuse them. The Applicant requests an additional 60 days after the Policies have been drafted to prepare and send notices.

Department's Response: The Department declines to make the Applicant's requested change and notes that this condition only requires the PIMCO Affiliated QPAMs to inform Covered Plans that they have the right to request and receive a copy of the Policies or Summary Policies. The Department believes that the PIMCO Affiliated QPAMs can accomplish this task within the timeframe set out in this condition.

Comment 19: Typographical Issues

The Applicant also requests the correction of certain typographical issues in the proposed exemption.

Department's Response: The Department agrees with all of the Applicant's typographical correction requests and has incorporated them into this exemption.

The complete application file (D-12075) 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, DC 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 that the Department published in the **Federal Register** on March 28, 2023 (88 FR 18333).

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) does not relieve a fiduciary or other party in interest from certain requirements of other ERISA provisions, including but not limited to 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 plan's participants and beneficiaries and in a prudent fashion in accordance with ERISA Section 404(a)(1)(B).

(2) As required by ERISA Section 408(a), the Department hereby finds that the exemption is: (a) administratively feasible; (b) in the interests of Covered Plans and their participants and beneficiaries; and (c) protective of the rights of the Covered Plan's participants and beneficiaries.

(3) This 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 for determining whether the transaction is in fact a prohibited transaction.

(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 the Applicant's exemption application and the Applicant's comments on the proposed exemption, the Department has determined to grant the following exemption under the authority of ERISA Section 408(a) in accordance with the Department's

exemption procedures set forth in 29 CFR part 2570, subpart B:¹⁰

Exemption

Section I. Definitions

(a) The term "AGI US" means Allianz Global Investors U.S. LLC.

(b) The term "AGI US Conviction" means the judgment of conviction against AGI US for one count of securities fraud in violation of Title 15, United States Code, Sections 78j(b) and 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2, entered in the District Court for the U.S. District Court Southern District of New York (the District Court) case number 1:22-cr-00279-CM.

(c) 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 a PIMCO Affiliated QPAM relies on PTE 84-14, or with respect to which a PIMCO Affiliated QPAM (or any PIMCO affiliate) has expressly represented that the manager qualifies as a QPAM or relies on the QPAM class exemption (PTE 84-14 or the QPAM Exemption).¹¹ A Covered Plan does not include an ERISA-covered plan or IRA to the extent the PIMCO 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.

(d) The term "Exemption Period" means the period of five years that begins on the date of the AGI US Conviction.

(e) The term "Misconduct" means the conduct described in the Statement of Facts in case number 1:22-cr-00279-CM which indicated that beginning in at least 2014 and continuing through March 2020, AGI US engaged in a scheme to defraud investors in a series of private investment funds (the Structured Alpha Funds) that at their height had over \$11 billion in assets under management.

(f) The term "PIMCO" means Pacific Investment Management Company LLC.

(g) The term "PIMCO Affiliated QPAM" means a "qualified professional asset manager," as defined in Section VI(a) of PTE 84-14, that relies on the relief provided by PTE 84-14 or represents to ERISA-covered plans and/or IRAs that it qualifies as a QPAM, and

¹⁰ 76 FR 66637, 66644 (October 27, 2011).

¹¹ 49 FR 9494 (March 13, 1984), as corrected at 50 FR 41430, (Oct. 10, 1985), as amended at 70 FR 49305 (Aug. 23, 2005), and as amended at 75 FR 38837 (July 6, 2010).

with respect to which PIMCO is a current or future “affiliate” (as defined in Section VI(d)(1) of PTE 84–14). For the purposes of this exemption, the term “PIMCO Affiliated QPAMs” does not include AGI US, or entities that are under the control of AGI US. The term only includes entities that are 100 percent owned, directly or indirectly, by PIMCO.

Section II. Covered Transactions

Under this exemption, the PIMCO Affiliated QPAMs will not be precluded from relying on the exemptive relief provided by Prohibited Transaction Class Exemption 84–14 (PTE 84–14 or the QPAM Exemption) notwithstanding the Conviction, as defined in Section I(b), during the Exemption Period, as defined in Section I(c) provided that the conditions set forth in Section III below are satisfied.

Section III. Conditions

(a) The PIMCO Affiliated QPAMs (including their officers, directors, agents other than AGI US, and employees of such QPAMs) did not know or have reason to know of and did not participate in the Misconduct that is the subject of the AGI US Conviction. Further, any other party engaged on behalf of the PIMCO Affiliated QPAMs who had responsibility for, or exercised authority in connection with the management of plan assets did not know nor have reason to know of and did not participate in the Misconduct that is the subject of the AGI Conviction. For purposes of this proposed exemption, “participate in” refers not only to active participation in the Misconduct of AGI US that is the subject of the AGI US Conviction, but also to knowing approval of the Misconduct, or knowledge of such Misconduct without taking active steps to stop it, including reporting the Misconduct to the PIMCO Executive Committee.

(b) The PIMCO Affiliated QPAMs (including their officers, directors, and agents other than AGI US, and employees of such PIMCO 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 Misconduct that is the subject of the AGI US Conviction. Further, any other party engaged on behalf of the PIMCO Affiliated QPAMs who had responsibility for or exercised authority in connection with the management of plan assets did not receive direct compensation nor knowingly receive

indirect compensation in connection with the Misconduct that is the subject of the AGI US Conviction;

(c) The PIMCO Affiliated QPAMs do not currently and will not in the future employ or knowingly engage any of the individuals who participated in any of the Misconduct, or any of the individuals who were referenced in the DOJ Statement of Facts as having known about the Misconduct without reporting the Misconduct. The PIMCO QPAMs must make every reasonable effort to ensure that no employees who participated in the Misconduct, including any employees who knew about the Misconduct and failed to report it, are employed by a PIMCO Affiliated QPAM. This involves using every reasonably available resource to identify these employees;

(d) At all times during the Exemption Period, no PIMCO 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 PIMCO Affiliated QPAM in reliance on PTE 84–14 or with respect to which a PIMCO Affiliated QPAM has expressly represented to an ERISA-covered plan or IRA with assets invested in such “investment fund” that it qualifies as a QPAM or relies on the QPAM class exemption, to enter into any transaction with AGI US or to engage AGI US 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;

(e) Any failure of a PIMCO Affiliated QPAM to satisfy Section I(g) of PTE 84–14 arose solely from the AGI US Conviction;

(f) A PIMCO Affiliated QPAM did not exercise authority over the assets of any plan subject to Part 4 of Title I of ERISA (an ERISA-covered plan) or Code Section 4975 (an IRA) in a manner that it knew or should have known would: (i) further the Misconduct that is the subject of the AGI US Conviction; or (ii) cause the PIMCO Affiliated QPAM or its affiliates to directly or indirectly profit from the Misconduct that is the subject of the AGI US Conviction;

(g) Other than with respect to employee benefit plans maintained or sponsored for its own employees or the employees of an affiliate, AGI US will not 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; provided, however, that

PIMCO will not be treated as violating the conditions of this exemption solely because AGI US 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) Within 180 calendar days after the effective date of this five-year exemption, each PIMCO Affiliated QPAM must develop, maintain, implement, and follow written policies and procedures (the Policies) that must require, and be reasonably designed to ensure that:

(i) The asset management decisions of the PIMCO Affiliated QPAM are conducted independently of the corporate management and business activities of AGI US;

(ii) The PIMCO Affiliated QPAM fully complies with ERISA’s fiduciary duties and with ERISA and the Code’s prohibited transaction provisions 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 PIMCO Affiliated 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 PIMCO Affiliated 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 the time they are made;

(v) To the best of the PIMCO Affiliated QPAM’s knowledge at the time, the PIMCO Affiliated 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;

(vi) The PIMCO Affiliated QPAM complies with the terms of this exemption; and

(vii) Any violation of or failure to comply with an item in subparagraphs (ii) through (vi), is corrected by the PIMCO Affiliated QPAM as soon as reasonably possible upon discovery, or as soon after the PIMCO Affiliated 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, to the head of compliance and the General

Counsel (or their functional equivalent) of the PIMCO Affiliated QPAM that engaged in the violation or failure, and the independent auditor responsible for reviewing compliance with the Policies. A PIMCO Affiliated 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 PIMCO Affiliated QPAM reasonably should have known of the noncompliance (whichever is earlier), and if it adheres to the reporting requirements set forth in this subparagraph (vii);

(2) Within 180 calendar days after the effective date of the exemption, each PIMCO Affiliated QPAM must develop, maintain, adjust (to the extent necessary), and implement a training program during the Exemption Period that will be conducted at least annually for all relevant PIMCO Affiliated QPAM's asset/portfolio management, trading, legal, compliance, and internal audit personnel (the Training). The Training required under this exemption may be conducted electronically and 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 (including any loss of exemptive relief provided herein), and prompt reporting of wrongdoing; and

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

(iii) Be verified through in-training knowledge checks, "graduation" tests, and/or other technological tools designed to confirm that personnel fully and in good faith participate in the Training;

(i)(1) Each PIMCO Affiliated QPAM must submit to an audit conducted every two years by an independent auditor who has been prudently selected and has appropriate technical training and proficiency with ERISA and the Code to evaluate the adequacy of the Policies and Training conditions described herein and each PIMCO Affiliated QPAM's compliance with them. The audit requirement must be incorporated into the Policies. Each audit must cover the preceding consecutive twelve (12) month period. The first audit under this exemption must cover the twelve-month period beginning on the date of the AGI US

Conviction The second audit must cover the twelve-month period beginning two years from the date of the AGI US Conviction The third audit must cover the twelve-month period beginning four years from the date of the AGI US Conviction. Each audit must be completed no later than six (6) months after the conclusion of the period to which the audit relates.

(2) 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, the PIMCO Affiliated QPAMs will grant the auditor unconditional access to their businesses, including, but not limited to: its computer systems; business records; transactional data; workplace locations; training materials; and personnel. Such access will be provided only to the extent that it is not prevented by state or federal statute, or involves communications subject to attorney client privilege and may be limited to information relevant to the auditor's objectives as specified by the terms of this exemption;

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

(4) The auditor's engagement must specifically require the auditor to test each PIMCO Affiliated QPAM's operational compliance with the Policies and Training conditions. In this regard, the auditor must test, a sample of each PIMCO Affiliated QPAMs' transactions involving Covered Plans that is sufficient in size and nature to afford the auditor a reasonable basis to determine the PIMCO Affiliated QPAM's operational compliance with the Policies and Training conditions;

(5) For each 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 the PIMCO Affiliated QPAM to which the audit applies that describes the procedures performed by the auditor during its examination. The auditor, at its discretion, may issue a single consolidated Audit Report that covers all of the PIMCO Affiliated QPAMs. The Audit Report must include the auditor's specific determinations regarding: (i) the adequacy of each PIMCO Affiliated QPAM's Policies and Training and compliance with the Policies and Training conditions; the need, if any, to

strengthen such Policies and Training; and any instance of each PIMCO Affiliated QPAM's noncompliance with the written Policies and Training conditions described in Section III(h) above. The PIMCO Affiliated QPAM must promptly address any identified noncompliance or prepare a written plan of action to address any determination by the auditor regarding the adequacy of the Policies and Training and the auditor's recommendations (if any) with respect to strengthening the PIMCO Affiliated QPAM's Policies and Training. Any action taken, or the plan of action to be taken, by the respective PIMCO Affiliated QPAM must be included in an addendum to the Audit Report (and such addendum must be completed before the certification described in Section III(i)(7) below). In the event the plan of action that is developed 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 the respective PIMCO Affiliated QPAM has implemented, maintained, and followed sufficient Policies and a Training must not be based solely or in substantial part on an absence of evidence indicating noncompliance. In this last regard, any finding that a PIMCO Affiliated QPAM has complied with the requirements under this subparagraph must be based on evidence that such PIMCO Affiliated QPAM has implemented, maintained, and followed the Policies and Training conditions required by this exemption. Furthermore, the auditor must not solely rely on the Annual Report created by the compliance officer (the Compliance Officer), 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 most recent Annual Review described in Section III(m);

(6) The auditor must notify the respective PIMCO 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;

(7) With respect to each Audit Report, the general counsel or one of the three most senior executive officers of the PIMCO Affiliated QPAM with respect to which the Audit Report applies must certify in writing and under penalty of

perjury that (a) the officer has reviewed the Audit Report and this exemption; and (b) the PIMCO Affiliated QPAM has addressed, corrected or remedied any instance of noncompliance or inadequacy or has an appropriate written plan in place to address any instance of noncompliance or inadequacy regarding the Policies and Training identified in the Audit Report. The certification must also include the signatory's determination that the Policies and Training in effect at the time of the certification are adequate to ensure compliance with the exemption conditions and with the applicable provisions of ERISA and the Code;

(8) The PIMCO Executive Committee is provided with a copy of each Audit Report, and a senior executive officer with a direct reporting line to the highest-ranking legal compliance officer of PIMCO must review the Audit Report for each PIMCO Affiliated QPAM and certify in writing under penalty of perjury that such officer has reviewed the Audit Report;

(9) Each PIMCO Affiliated QPAM provides its certified Audit Report by electronic mail to the Department by submitting it to *e-oed@dol.gov*. This submission must take place no later than thirty (30) days after completion of the Audit Report. The Audit Report will be made part of the public record regarding this exemption, which is available for publication inspection and copying. Furthermore, each PIMCO Affiliated QPAM must make its Audit Report unconditionally available for examination by electronic means or otherwise upon request by any duly authorized employee or representative of the Department, other relevant regulators, and any fiduciary of a Covered Plan;

(10) Each PIMCO Affiliated QPAM and the auditor must submit to OED any engagement agreement(s) entered into pursuant to the engagement by the auditor under this exemption no later than sixty (60) calendar days after the execution of any such engagement agreement;

(11) The auditor must provide the Department, upon request, for inspection and review, access to all the workpapers created and utilized during the audit, provided such access and inspection is otherwise permitted by law; and

(12) PIMCO must notify the Department of a change in the independent auditor no later than sixty (60) calendar days 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 PIMCO;

(j) Throughout the Exemption Period, with respect to any arrangement, agreement, or contract between a PIMCO Affiliated QPAM and a Covered Plan, the PIMCO Affiliated QPAM agrees and warrants:

(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 PIMCO Affiliated QPAM's violation of ERISA's fiduciary duties, as applicable, and 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 PIMCO Affiliated QPAM to qualify for the exemptive relief provided by PTE 84-14 as a result of a violation of Section I(g) of PTE 84-14, other than the Conviction. This condition applies only to actual losses caused by the PIMCO Affiliated QPAM's violations, which include: (i) actual losses include losses and related costs arising from unwinding transactions with third parties and from transitioning Plan assets to an alternative asset manager; and (ii) costs associated with any exposure to excise taxes under Code Section 4975 because of the PIMCO Affiliated QPAM's inability to rely upon the relief in the QPAM Exemption;

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

(4) Not to restrict the ability of the Covered Plan to terminate or withdraw from its arrangement with the PIMCO Affiliated QPAM with respect to any investment in a separately managed account or pooled fund subject to ERISA and managed by the PIMCO Affiliated 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 of these arrangements involving investments in pooled funds subject to

ERISA entered into after the initial 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 the restrictions must be applicable to all such investors and 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 the equitable treatment of all investors in a pooled fund in the event the withdrawal or termination may have adverse consequences for all other investors, provided that such fees are applied consistently and in like manner to all such investors;

(6) Not to include exculpatory provisions disclaiming or otherwise limiting the liability of the PIMCO Affiliated 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 PIMCO and its affiliates, or damages arising from acts outside the control of the PIMCO Affiliated QPAM; and

(7)(a) Each PIMCO Affiliated QPAM must provide a notice of its obligations under this Section III(j) to each sponsor or beneficial owner of a Covered Plan which is a client as of the Effective Date by a date that is 90 days after the Effective Date. For all other Covered Plans that become clients between the Effective Date and a date that is 120 days after the Effective Date, each sponsor or beneficial owner of such Covered Plans must be provided with a notice of the obligations under this section by a date that is 180 days after the Effective Date. All prospective sponsors and beneficial owners of Covered Plans that enter into a written investment management agreement with a PIMCO Affiliated QPAM after a date that is 120 days after the Effective Date must receive a copy of the notice of the obligations under this Section III(j) before, or contemporaneously with, the Covered Plan's receipt of a written investment management or comparable agreement from the PIMCO Affiliated QPAM. The notices may be delivered

electronically (including by an email that has a link to a website that contains the documents required by this section). Notwithstanding the above, a PIMCO Affiliated QPAM will not violate this condition solely because a Covered Plan refuses to sign an updated investment management agreement.

(k) Within 90 days after the effective date of this exemption, each PIMCO Affiliated QPAM provides notice of the exemption as published in the **Federal Register**, along with a separate summary describing the facts that led to the Conviction (the Summary), which has been submitted to the Department, and a prominently displayed statement (the Statement) that the AGI US Conviction results in a failure to meet a condition in the QPAM Exemption to each sponsor or beneficial owner of a Covered Plan that has entered into a written investment management agreement with a PIMCO Affiliated QPAM, or the sponsor of an investment fund in any case where a PIMCO Affiliated QPAM acts as a sub-adviser to the investment fund in which such Covered Plan invests. For all other Covered Plans that become clients between the Effective Date and a date that is 120 days after the Effective Date, each sponsor or beneficial owner of such Covered Plans is provided the documents described in this Section III(k) by a date that is 180 days after the Effective Date. All sponsors or beneficial owners of prospective Covered Plans that enter into a written investment management or comparable agreement with a PIMCO Affiliated QPAM after a date that is 120 days after the Effective Date 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 investment management agreement from the PIMCO Affiliated QPAM. The notices may be delivered electronically (including by an email that has a link to a website that contains the documents required by this section). Notwithstanding the above, a PIMCO Affiliated QPAM will not violate the condition solely because a Covered Plan refuses to sign an updated investment management agreement.

(l) The PIMCO Affiliated QPAM 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 AGI US Conviction. If an affiliate of PIMCO's (as defined in Section VI(d) of PTE 84–14) is convicted of a crime described in Section I(g) of PTE 84–14 (other than the Conviction) during the Exemption Period, relief in this exemption would terminate immediately;

(m)(1) Within 60 calendar days after the effective date of this exemption, each PIMCO Affiliated QPAM must designate a senior compliance officer (the Compliance Officer) who will be responsible for compliance with the Policies and Training requirements described herein. Notwithstanding the above, no person, including any person referenced in the Statement of Facts underlying the AGI US Conviction, who knew of, or should have known of, or participated in, any of the Misconduct, by any party, may be involved with the designation or responsibilities required by this condition, unless the person took active documented steps to stop the Misconduct. The Compliance Officer 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. The following conditions must be met with respect to the Compliance Officer:

(i) The 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; and

(ii) The Compliance Officer must have a direct reporting line to the highest-ranking corporate officer in charge of compliance for the applicable PIMCO Affiliated QPAM.

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

(i) The annual Exemption Review includes a review by the Compliance Officer of: (A) the PIMCO Affiliated QPAM's compliance with and effectiveness of the Policies and Training; (B) any compliance matter related to the Policies or Training that was identified by or reported to the Compliance Officer or others within the compliance and risk control function (or its equivalent) during the previous year; (C) any material error, recommendation, and compliance failure identified in the most recent Audit Report issued pursuant to this exemption; (D) any material change in the relevant business activities of the PIMCO Affiliated QPAMs; and (E) 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 PIMCO Affiliated QPAMs;

(ii) The Compliance Officer must prepare a written report for the Exemption Review (an Exemption Report) that: (A) summarizes the Compliance Officer's 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, the Compliance Officer must certify in writing that to the best of their knowledge at the time: (A) the report is accurate; (B) the Policies and Training are working in a manner that 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 corrections taken to date have been identified in the Exemption Report; and (D) the PIMCO 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 PIMCO and each PIMCO Affiliated QPAM to which such report relates, the head of compliance and the general counsel (or their functional equivalent) of the relevant PIMCO Affiliated QPAM. The Exemption Report also must be made unconditionally available to the independent auditor described in Section III(i) above; (v) The annual Exemption Review, including the Compliance Officer's written Report, must be completed within 90 calendar days after the end of the period to which it relates. The annual Exemption Review, including the Compliance Officer's written Report, must be completed within 90 calendar days after the end of the period to which it relates. The annual Exemption Reviews under this exemption must cover the five consecutive twelve-month periods beginning on the date of the Conviction.

(n) AGI US complies in all material respects with the requirements imposed by a U.S. regulatory authority in connection with the Conviction;

(o) Each PIMCO Affiliated QPAM will maintain records necessary to demonstrate that it has met the conditions of this exemption for six (6) years after the date of any transaction for which the PIMCO Affiliated QPAM relies upon the relief in this exemption;

(p) During the Exemption Period, PIMCO must: (1) immediately disclose to the Department any Deferred

Prosecution Agreement (a DPA) or Non-Prosecution Agreement (an NPA) with the U.S. Department of Justice, entered into by PIMCO or any of its affiliates (as defined in Section VI(d) of PTE 84–14) in connection with the conduct described in Section I(g) of PTE 84–14 or ERISA Section 411; and (2) immediately provide any information requested by the Department, as permitted by law, regarding the DPA or NPA and/or conduct and allegations that led to the DPA or NPA;

(q) Within 60 calendar days after the effective date of this exemption, each PIMCO Affiliated QPAM will clearly and prominently inform Covered Plan clients of their right to obtain a copy of the Policies or a description (Summary Policies) which accurately summarizes key components of the PIMCO Affiliated QPAM's written Policies developed in connection with this exemption in its agreements with or in other written disclosures provided to Covered Plans. If the Policies are thereafter changed, each Covered Plan client must receive a new disclosure within 180 calendar days after the end of the calendar year during which the Policies were changed.¹² With respect to this requirement, the description may be continuously maintained on a website, provided that such website link to the Policies or Summary Policies must be clearly and prominently disclosed to each Covered Plan;

(r) A PIMCO Affiliated QPAM will not fail to meet the conditions of this exemption solely because a different PIMCO Affiliated QPAM fails to satisfy a condition for relief described in Sections III(c), (d), (h), (i), (j), (k), (l), (o) or (q); 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)(11), provided that such failure did not result from any actions or inactions of PIMCO or its affiliates; and

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

(t) With respect to an asset manager that becomes a PIMCO Affiliated QPAM after the effective date of this exemption by virtue of being acquired (in whole or in part) by PIMCO or a subsidiary of PIMCO (a "newly-acquired PIMCO Affiliated QPAM"), the newly-acquired PIMCO Affiliated QPAM would not be

¹² If the Applicant 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.

precluded from relying on the exemptive relief provided by PTE 84–14 notwithstanding the Conviction as of the closing date for the acquisition; however, the operative terms of the exemption shall not apply to the newly-acquired PIMCO Affiliated QPAM until a date that is six (6) months after the closing date for the acquisition. To that end, the newly-acquired PIMCO Affiliated QPAM will initially submit to an audit pursuant to Section III(i) of this exemption as of the first audit period that begins following the closing date for the acquisition. However, the first audit to which a newly-acquired QPAM submits may require the auditor to look back into the previous year for that particular QPAM. This will be the case where the interval between the acquisition date and the beginning of the next audit period is greater than 6 months.

Exemption Date: This exemption is in effect for a period of five years, beginning on the date of the AGI US Conviction.

Signed at Washington, DC.

George Christopher Cosby,
Director, Office of Exemption Determinations,
Employee Benefits Security Administration,
U.S. Department of Labor.

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BILLING CODE 4510–29–P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Walking-Working Surfaces Standard

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Occupational Safety & Health Administration (OSHA)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that the agency receives on or before August 4, 2023.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

FOR FURTHER INFORMATION CONTACT: Nicole Bouchet by telephone at 202–693–0213, or by email at DOL_PRA_PUBLIC@dol.gov.

SUPPLEMENTARY INFORMATION: The information collection requirements in this standard apply to all walking and working surfaces operations conducted by employers involved in procedures that prevent injury and death among workers who work with or near ladders, rope descent systems, and unprotected siding and edging. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on April 3, 2023 (88 FR 19681).

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. See 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

Agency: DOL–OSHA.
Title of Collection: Walking-Working Surfaces Standard.

OMB Control Number: 1218–0199.

Affected Public: Private Sector—Businesses or other for-profits.

Total Estimated Number of Respondents: 487,500.

Total Estimated Number of Responses: 1,032,860.

Total Estimated Annual Time Burden: 498,640 hours.