iCapital

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Daniel Aronowitz
Assistant Secretary
Employee Benefits Security Administration
c/o Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Re: Fiduciary Duties in Selecting Designated Investment Alternatives; RIN 1210-AC38; Docket No. EBSA-2026-0166

Dear Assistant Secretary Aronowitz:

iCapital appreciates the opportunity to submit this comment letter in support of the Department of Labor's goal of providing greater clarity in the fiduciary process via the proposed rule, *Fiduciary Duties in Selecting Designated Investment Alternatives*.

1: About iCapital

iCapital is a global fintech company that enables financial advisors, wealth managers, asset managers, and other industry participants to offer, invest and manage non-traditional investments. Through iCapital Marketplace, Enterprise Solutions, and Technology & Data Services, the firm's technology platform provides education, compliant digital identity (AML/KYC), transaction processing, data connectivity, reporting, and analytics across the lifecycle of alternative assets, structured investments, and annuities. iCapital services nearly US$1.2 trillion of assets globally on its platform and supports over 3,400 wealth management firms and 130,000 active financial professionals.

iCapital is a member of several industry organizations, including the Defined Contribution Alternatives Association (DCALTA), Defined Contribution Institutional Investment Association (DCIIA), the Society of Professional Asset Managers and Recordkeepers (SPARK), Institute for Portfolio Alternatives (IPA), the Investment Company Institute (ICI), and National Association of Plan Advisors (NAPA). We support the comment letters these organizations are submitting in response to the proposed rule and appreciate their efforts to provide the Department with industry perspectives on the importance of fiduciary clarity, process-based evaluation, and asset-neutrality. In particular, we support DCIIA's emphasis that prudent fiduciary decision-making should be afforded appropriate deference, DCALTA's (among others) recommendation that the final rule remain not only asset-neutral, but also investment vehicleneutral, and IPA's focus on the ability of CITs and other pooled vehicles to incorporate thoughtful liquidity features to support long-term retirement investing while balancing participant needs for access.

2: Support for a process-focused, asset-neutral framework

A clear, process-focused, asset-neutral framework can help fiduciaries evaluate investment options thoughtfully and consistently, while preserving the core ERISA principle that fiduciaries must act prudently and in the interest of plan participants and beneficiaries. The proposed rule helps reinforce that prudence under ERISA is grounded in process. Its focus on fiduciaries giving appropriate consideration of relevant factors, specifically performance, fees, liquidity, valuation, benchmarking, and complexity, can help fiduciaries make better-informed decisions when applied thoughtfully in the context of a plan's specific circumstances.

We also support the Department's clarification that ERISA does not impose a per se restriction on any particular type of designated investment alternative, provided the fiduciary follows a prudent process and complies with applicable law. This asset-neutral approach allows fiduciaries to consider a full range of investment solutions that may be appropriate for a plan, its participants, and the plan's investment objectives.

3: Reducing uncertainty for fiduciaries

By providing a clearer fiduciary framework and greater alignment around a process-based safe harbor, the proposed rule may reduce uncertainty for plan fiduciaries and help ensure that investment selection decisions are evaluated based on the fiduciary process followed, rather than through hindsight. Greater clarity in the fiduciary process may also help mitigate overly defensive decision-making driven by litigation risk. Reducing uncertainty may help fiduciaries have greater confidence in thoughtfully made decisions that are grounded in a prudent process.

4: Conclusion

For these reasons, iCapital supports the proposed rule and encourages the Department of Labor to finalize a framework that provides clarity while allowing flexibility for fiduciaries as investment options and plan needs evolve.

Sincerely,
Drew Carrington, CFA, CAIA
Managing Director, Alternatives in Retirement Portfolios
iCapital