TOTAL BURDEN HOURS—Continued

Activity	Number of respondents	Frequency	Total annual responses	Time per response (min.)	Total annual burden (hours)
Physicians	300	As needed (1/annually)	300	30	150
Physicians	27	As needed (1/annually)	27	30	14
Unduplicated Totals	2,542		2,757		974

Estimated Annual Cost Burden: $152,721.

If additional information is required contact: Darwin Arceo, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE, 4W–218, Washington, DC.

Dated: July 3, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025–12661 Filed 7–7–25; 8:45 am]

BILLING CODE 4410–04–P

DEPARTMENT OF LABOR

Employee Benefits Security Administration

[Prohibited Transaction Exemption 2025–05; Application Number L–12066]

Exemption for Certain Prohibited Transactions Involving Meta Platforms, Inc. (Meta) Located in Menlo Park, CA

AGENCY: Employee Benefits Security Administration, Labor.

ACTION: Notice of exemption.

SUMMARY: This document provides notice of an individual exemption from certain prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (ERISA). The exemption permits Prudential Life Insurance Company of America (Prudential) to reinsure the Meta Platforms Inc. Health and Welfare Benefit Plan (Plan)'s group term life insurance benefits, accidental death and dismemberment benefits, survivor income benefits, supplemental employee term coverage, dependent term life insurance (spouse or domestic partner), dependent term life insurance (children) (the Reinsured Benefits), by entering into a reinsurance contract with Ekahi Insurance Company, LLC (Ekahi), an insurance company that is owned by Meta Platforms, Inc. (Meta or the Applicant). This arrangement is hereinafter referred to as the ''Reinsurance Arrangement.''

DATES: This final exemption will be in effect as of July 8, 2025.

FOR FURTHER INFORMATION CONTACT: Nicholas Schroth, Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor, (202) 693–8571 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: Meta requested an exemption pursuant to ERISA section 408(a) in accordance with the Department's exemption procedures set forth in 29 CFR part 2570, subpart B.[1] On November 21, 2024, the Department published a notice of proposed exemption in the **Federal Register** at 89 FR 92162 (November 21, 2024) (the Proposed Exemption).

Based on the record and representations made by the Applicant, the Department has determined to grant the Proposed Exemption. This exemption provides only the relief specified herein and does not provide relief from violations of any law other than the prohibited transaction provisions of ERISA.

As discussed below, the Department makes the requisite findings under ERISA section 408(a) that the exemption is: (1) administratively feasible for the Department, (2) in the interest of the Plan and its participants and beneficiaries, and (3) protective of the rights of the participants and beneficiaries of the Plan, based on the Applicant's adherence to all the conditions and definitions of the exemption at all times. Accordingly, affected parties should be aware that the inclusion of the conditions and definitions incorporated in this exemption was necessary for the Department to make its findings to grant the relief requested by the Applicant.

Benefits of the Exemption to Plan Participants: This exemption will yield an immediate and objectively determined benefit to Plan participants in the form of the benefit enhancements described in paragraphs 14 through 27 below, which must be paid for solely by Meta. Initially, the benefit enhancements are expected to cost Meta around $3,854,000 per year, although that amount will change over time. Prudential (or any successor Fronting Insurer) will remain fully responsible for the payment of Reinsured Benefits if Ekahi does not fulfill its contractual obligations to Prudential.

Background[2]

The Sponsor

1. Meta Platforms, Inc. (Meta) is a multinational technology company headquartered in Menlo Park, California. Meta sponsors the Plan.

The Plan

2. Meta Platforms Inc. Health and Welfare Benefit Plan (Plan) provides the following health and welfare benefits to its employees and their beneficiaries: health, dental, vision, temporary disability insurance for accidents and sickness, prepaid legal services, long-term disability, death benefits, basic employee term life coverage, basic AD&D coverage, employee survivor benefits life coverage, supplemental employee term coverage, dependent term life insurance (spouse or domestic partner), and dependent term life insurance (children). As of December 31, 2023, the Plan covered 56,511 participants.

Reinsured Benefits

3. As of January 1, 2021, Prudential insured a subset of the Plan's group term life insurance benefits, basic accidental death and dismemberment benefits, survivor income benefits, supplemental employee term coverage, dependent term life insurance (spouse

[1] The procedures that govern the Applicant's request for an exemption (the Exemption Procedures) are set forth in 29 CFR part 2570, subpart B at 76 FR 66637, 66644 (October 27, 2011). Although the Applicant's submission is being processed under the Exemption Procedures in effect as of December 27, 2011, the Exemption Procedures were recently amended at 89 FR 4662, 4691 (January 24, 2024). Additionally, because the Plan will not be qualified under section 401 of the Internal Revenue Code of 1986, as amended (the Code), there is no jurisdiction under Title II of the ERISA pursuant to section 4975 of the Code. However, there is jurisdiction under Title I of ERISA.

[2] Any capitalized terms not defined herein are given the meanings ascribed to them in the Proposed Exemption at 89 FR 92162 (November 21, 2024).

or domestic partner), and dependent term life insurance (children). Once Ekahi commences the Reinsurance Arrangement, these benefits will be reinsured by Ekahi (hereinafter collectively referred to as the Reinsured Benefits).

Fronting Insurer

4. Prudential Life Insurance Company of America (Prudential) will, at least initially, operate as the Plan's Fronting Insurer for the Plan's Reinsured Benefits. Prudential received an ''A+'' financial strength rating from A. M. Best Company (A. M. Best) as of February 4, 2025. Prudential is unrelated to Meta, and the conditions of the exemption require it to remain so throughout the duration of the Reinsurance Arrangement. The conditions for relief prescribe several requirements that any future Fronting Insurer must adhere to for the parties to continue to rely on the exemption.

The Captive

5. Meta organized Honu Insurance Company, LLC (Honu) on December 1, 2020, as a wholly-owned subsidiary of Meta. Honu has authority to transact business as a pure captive insurance company, which means it only insures or reinsures risks of Meta and affiliated entities or of a controlled unaffiliated business.[3] On May 10, 2022, Hawaii approved Honu's conversion from a pure captive insurance company to a sponsor captive insurance company and allowed the establishment of a protected cell, called Ekahi Insurance Company, LLC (Ekahi) to operate as a cell company sponsored by Honu.[4] Hawaii state law generally provides that a sponsor captive insurance company is a captive insurance company if: (1) its minimum required capital and surplus is provided by one or more sponsors; (2) it is formed or licensed under Hawaii state law; (3) it insures the risks only of its participants through separate participant contracts; and (4) it may fund its liability to each participant through one or more protected cells.[5]

6. Ekahi is a wholly-owned subsidiary of Meta. Presently, Ekahi reinsures employee benefits for Meta's international benefit plans, and Meta intends to expand its global benefits program by using Ekahi as its reinsurer for its domestic benefits as well. The Applicant states that, as a protected cell of a captive insurance company, Ekahi is a separate juridical entity (*e.g.,* a corporation or an LLC) formed under the captive insurance company laws of a state and has no responsibility for the liabilities of other cells that may be formed within such captive insurance company. The juridical entity formed as a cell has all of the characteristics of any such entity, *e.g.,* in the case of a corporate cell it has articles of incorporation.

Independent Fiduciary

7. Milliman, Inc. (the Independent Fiduciary or Milliman) will serve as the Plan's Independent Fiduciary with respect to the Reinsurance Arrangement and Kathleen E. Ely, FSA, MAAA, of Milliman will perform the functions required of the Independent Fiduciary on behalf of Milliman with respect to the requirements of this exemption.[6] The conditions for the exemption require the Independent Fiduciary to evaluate, monitor, and confirm whether the terms and conditions of the exemption have been satisfied. As part of this analysis, Milliman must document its review of the terms of the exemption and conclude whether, based on its review of all of the relevant documents and evidence, all of the exemption's terms and conditions have been met (or, due to timing requirements, can reasonably expected to be met consistent with the time requirements set forth in this exemption)). Milliman must submit this report to the Department's Office of Exemption Determinations at least 30 days before the Plan engages in the Reinsurance Arrangement.

8. For the duration of the Reinsurance Arrangement, the Independent Fiduciary must perform the following duties: (a) monitor, enforce and ensure compliance with all conditions of the exemption, including all conditions and obligations imposed on any party dealing with the Plan, throughout the period during which Ekahi's assets are directly or indirectly used in connection with a transaction covered by the exemption; (b) report any instance of non-compliance immediately to the Department's Office of Exemption Determinations; (c) monitor the transactions covered by the exemption on a continuing basis to ensure the transactions remain in the interest of the Plan; (d) take all appropriate actions to safeguard the interests of the Plan and its participants and beneficiaries; (e) review all contracts pertaining to the Reinsurance Arrangement, and any renewals of such contracts, to determine whether the requirements of this exemption continue to be satisfied; and (f) determine that the Reinsurance Transaction is not detrimental to the interest of the Plan and its participants and beneficiaries and take immediate corrective action if it is.

9. Additionally, Milliman must file annual certified reports with the Department, under penalty of perjury, confirming that the terms and conditions of the exemption have been met (including that Meta has not reduced or offset any participant benefits in relation to its implementation and maintenance of the Reinsurance Arrangement), and explaining Milliman's bases for that conclusion.

Mechanics of the Reinsurance Arrangement

10. Meta intends to utilize Ekahi to reinsure the following Plan benefits: basic employee term life coverage, basic accidental death and dismemberment coverage, employee survivor benefits coverage, supplemental employee term coverage, dependent term life insurance (spouse or domestic partner), dependent term life insurance (children) (hereinafter collectively referred to as the Reinsured Benefits).

11. In general terms, the Plan will make premium payments with respect to certain insurance coverages to Prudential, known as the Fronting Insurer, and Prudential will make corresponding payments for those coverages to Ekahi, also known as the Captive Insurer, in an amount less than the premiums it is paid by the Plan. The amount Prudential retains from the Plan's premium payment is a negotiated fee between Prudential and Ekahi; while the amount Prudential pays to Ekahi is Ekahi's premium for reinsuring the Plan's risks. The reinsurance agreement between Prudential and Ekahi is ''indemnity only,'' which means that Prudential retains the responsibility to pay benefit claims to participants and beneficiaries if Ekahi does not satisfy any of its contractual obligations to Prudential under the Reinsurance Arrangement.

12. Administration of the claims under the Plan will be performed by Prudential as the direct insurer of the Plan. Ekahi will be bound by Prudential's claims handling decisions under the Plan and will not have direct contact with participants, make direct payments to participants, or have responsibility for their benefit determinations. Under the terms of the

[3] Hawaii state law 19 Section 431:19–101.

[4] The Applicant represents that the use of an incorporated protected cell to conduct reinsurance operations as described herein has no effect on the parties' adherence to the conditions for exemptive relief.

[5] Hawaii state law 19 Section 431:19–101.

[6] For a description of the Independent Fiduciary's qualifications, independence, and contractual requirements with regard to its engagement agreement, please see the Proposed Exemption at 89 FR 92162 (November 21, 2024).

Reinsurance Arrangement, Ekahi's reinsurance obligations to Prudential are secured with collateral (*i.e.* a letter of credit or funds in a trust account), but Prudential will assume ultimate financial liability for payment of the Plan's benefit claims if Ekahi is unable (or unwilling) to satisfy its obligations to Prudential.

The Primary Benefit Test

13. Under the exemption, Meta must satisfy the exemption's ''Primary Benefit Test.'' This means the Plan must benefit from the Reinsurance Arrangement by an amount that exceeds 50% of the net financial benefit that Meta and its related parties receive from the Reinsurance Arrangement. Initially, with respect to the first year of the Reinsurance Arrangement, Ekahi expects to realize a net financial benefit increase of $5,775,000 from the Reinsurance Arrangement; and Meta will pay an estimated $3,854,000 to improve the Plan with the new benefit enhancements. If these estimates prove accurate, and if Meta does not receive any other direct or indirect benefit from the arrangement other than the net financial benefit increase of $5,775,000, the Primary Benefit Test will be met ($3,854,000/5,775,000 × 100 = 66.7%). This exemption allows for certain adjustments, described below, to ensure the Primary Benefits Test remains satisfied over time.

Department's Note: An essential premise of this exemption is that the Independent Fiduciary will be able to accurately quantify both the net financial benefit to Meta from the Reinsurance Arrangement, and the benefit to the Plan from the Reinsurance Arrangement. The Department expects the Independent Fiduciary to discuss the specifics of the Primary Benefit Test with Meta well in advance of the start date of the Reinsurance Arrangement, so that the Independent Fiduciary may approve and monitor the Plan's participation in the arrangement, consistent with its duties under ERISA. The Independent Fiduciary must be able to identify and trace all data relevant to the Primary Benefit Test (*i.e.,* premium payments, net income amounts, reserve amounts, among other things), cognizant that Ekahi also reinsures employee benefits for Meta's international benefit plans (outside the scope of this exemption).

The Independent Fiduciary must diligently and proactively explore the scope of each prong of the Primary Benefits Test, to ensure the test has been properly met. For example, the amount that Meta pays in premiums for benefit enhancements may not accurately reflect (and may not, in some instances, overstate) the ultimate benefit the Plan receives from the Reinsurance Arrangement. Failure of the Independent Fiduciary to perform a prudent, robust review of all data relevant to the Primary Benefits Test may result in loss of the exemption.

Benefit Enhancements

14. The benefit enhancements are:

15. Removal of the age reduction clauses for the Plan's basic life insurance benefits, optional life insurance coverages and AD&D benefits at no additional cost. Additionally, under this enhancement, the insured will no longer incur reductions to the policy's insurance amount when they reach the ages of 65 and 70.

16. Increase in the percentage allowed for an accelerated insurance payout from 90 percent to 100 percent of the total amount of coverage up to $1,000,000 for the basic life insurance benefit. Additionally, if a participant is enrolled in the supplemental employee term coverage and the accelerated payment from the basic life insurance does not amount to at least $1,000,000, 100 percent of the supplemental employee term coverage will be accelerated until both the basic life insurance and the supplemental life insurance accumulate to $1,000,000.

17. New Plan portability option to participants under basic life insurance that will allow participants to retain coverage without regard to their medical conditions when they leave Meta's employment.

18. New Plan portability option to AD&D insurance benefits. The insurance will be issued without regard to participants' medical conditions but may be offered at higher rates.

19. New Plan benefit permitting qualifying disabled former employee participants to cease premium payments and continue AD&D death benefit coverage for one year. This enhancement may be renewed on an annual basis up to age 65 if the disabled individual is determined to continue to be Totally Disabled (as defined in the Plan).

20. New Plan-paid AD&D benefit of 52 sessions of bereavement and trauma counselling relating to AD&D claims up to $150 per session that are held within a year of the loss.

21. New Plan-paid AD&D benefit covering dependent children's tuition upon the death of a participant in an annual amount equal to the lesser of (1) the actual annual amount of the dependent child's tuition (exclusive of room and board); (2) 10 percent of the participant's AD&D death benefit;[7] or (3) $25,000. This benefit will be payable annually for up to 4 consecutive years, but not beyond the date the child reaches age 26.

22. New Plan-paid AD&D benefit covering childcare expenses for qualifying dependent children of a qualifying deceased participant in an annual amount equal to the lesser of: (1) the actual cost charged by the relevant Child Care Center[8] per year; (2) 10 percent of the deceased participant's AD&D death benefit; or (3) $24,000. This benefit is payable annually for a maximum of four consecutive years, but not beyond the date the child reaches age 13. If there is no dependent child eligible for this benefit, the Plan will pay a $1,000 benefit.

23. New Plan-paid AD&D benefit coverage for funeral expenses in an amount equal to the lesser of: (1) the actual amount of the Funeral Expenses; (2) 10 percent of the amount of the deceased participant's AD&D death benefit; or (3) $20,000.

24. New Plan-paid AD&D benefit coverage for monthly rehabilitation payments. The Plan will make a monthly payment equal to the lesser of (1) five percent of the amount of the participant's relevant AD&D benefit[9] and (2) $500 for rehabilitation expenses for a maximum of 12 consecutive months.

25. New Plan-paid AD&D benefit covering a higher monthly mortgage payment of $2,000 per month. The benefit will be paid until the first of the following events occur: (1) the spouse or domestic partner dies; (2) the mortgage is paid in full; (3) the house subject to the mortgage is sold; or (4) the benefit has been paid for 12 consecutive months.

26. New Plan AD&D benefit increases the monthly survivor income benefit to an employee's spouse or domestic partner to 60 percent of the employee's monthly earnings for a monthly maximum of $15,000 if certain conditions are met.

27. New Plan benefits education program offering the following Life@ Benefits concierge services for Plan benefits and well-being resources.

- EstateGuidance—estate planning concierge services.

[7] The Plan's AD&D death benefit is equal to 100 percent of a participant's basic life insurance benefit.

[8] As defined in the Plan's policy.

[9] An individual's AD&D benefit under the Plan is equal to a percentage of a participant's basic life insurance benefit that depends on the particular loss or injury. For example, in the event of a participant's loss of sight in one eye, they would receive 50 percent of their basic life insurance benefit.

• ComPsych—funeral concierge services.

• GuidanceResources—employee assistance program (EAP) services, financial information resources, legal resources, and online informational resources.

• International Medical Group Travel Assistance Services—travel support services, *e.g.,* medical assistance, emergency medical transport, and security services.

Look-Back Requirement

28. The value of the Benefit Enhancements determined at the outset of the Reinsurance Arrangement is based on projections performed by an actuary on behalf of Meta. Therefore, the exemption requires the Independent Fiduciary to look back over successive five-year periods to determine whether the Primary Benefit Test has been met based on the actual value the Benefit Enhancements provided to the Plan participants during that period.

29. If the Independent Fiduciary finds that the Primary Benefit Test has not been met during a prior five-year period, Meta must immediately implement a prospective reduction to the participants' portion of the Plan premiums in an amount that is sufficient to make up for the shortfall.[10] The reduction in participants' premiums must be allocated equally across all Plan participant premium contributions for Plan benefits, regardless of whether the benefits are subject to the Reinsurance Arrangement. The amount of the prospective reduction must include an additional payment of interest on the shortfall at the Internal Revenue Code of 1986 (Code) federal underpayment rate set forth in Code section 6621(b).

30. Further, Meta is prohibited from reducing any benefits provided to Plan participants and beneficiaries in connection with its implementation of the Reinsurance Arrangement. Finally, if the Plan's total annual participant premiums for all Plan benefits are insufficient to make up the shortfall, Meta must make up the remaining shortfall by increasing the value of enhanced benefits to all participants in a monetary value equal to the remaining shortfall. These additional enhanced benefits must be valued by an actuary and approved in writing by the Independent Fiduciary.

Written Comments Received

31. In the Proposed Exemption, the Department invited all interested persons to submit written comments and/or requests for a public hearing. The Department received no comments or public hearing requests during the proposal's comment period from November 21, 2024, to January 21, 2025.

For the purposes of clarification and as an outgrowth of condition (a)(1), the Department added that the phrase ''the benefits to the Plan and'' to the last sentence of condition (a)(2) to clarify that the Independent Fiduciary has the option of reviewing each prong of the Primary Benefit Test with respect to years two through five of the arrangement. Further, the revisions to the Plan document and Summary Plan Description described in condition (r) must now include the **Federal Register** citation for this exemption.

The Department made several minor, non-substantive revisions to the operative language of the Proposed Exemption that are intended to clarify the exemption and/or correct scrivener's errors.

32. The complete application file (L–12066) 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 reachable by telephone at (202) 693–8571. For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, please refer to the notice of proposed exemption published on November 21, 2024 (89 FR 92162).

33. In making its findings to grant this exemption, the Department relied on the Applicant's representations. If any material statement in the Application, proposed exemption, or final exemption, is or may no longer be completely and factually accurate, the Applicant and recipients of the exemptive relief provided herein must immediately alert the Department.[11]

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 other provisions of ERISA, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of ERISA section 404, which, among other things, require fiduciaries to discharge their duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with ERISA section 404(a)(1)(B);

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

(3) The exemption is supplemental to, and not in derogation of, any other ERISA provisions, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of determining whether the transaction is in fact a prohibited transaction; and

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

Accordingly, after considering the entire record developed in connection with the Applicant's exemption application, 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 regulation.[12]

Exemption

Section I. Definitions

(a) An ''affiliate'' of Meta, Honu, or Ekahi includes: (1) Any person or entity who controls Meta, Honu, or Ekahi or is controlled by or under common control

[10] The Department retains the right to propose a revocation or amendment to the exemption if it is unable to confirm the reliability of the underlying financial data supporting the Independent Fiduciary's ''look-back'' findings. The Department notes that its determination not to revoke an exemption is not an endorsement or conclusion that the conditions of the exemption are met.

[11] The Representations stated herein are based on the Applicant's representations provided in its exemption application and do not reflect factual findings or opinions of the Department unless indicated otherwise. The Department notes that the availability of this exemption is subject to the express condition that the material facts and representations contained in application L–12066 are true and complete at all times, and accurately describe all material terms of the transactions covered by the exemption. If there is any material change in a transaction covered by the exemption, or in a material fact or representation described in the application, the exemption will cease to apply as of the date of the change.

[12] The procedures that govern the Applicant's request for an exemption (the Exemption Procedures) are set forth in 29 CFR part 2570, subpart B at 76 FR 66637, 66644 (October 27, 2011). Although the Applicant's submission is being processed under the Exemption Procedures in effect as of December 27, 2011, the Exemption Procedures were recently amended at 89 FR 4662, 4691 (January 24, 2024).

with Meta, Honu, or Ekahi; (2) Any officer, director, employee, relative, or partner with respect to Meta, Honu, or Ekahi; and (3) Any corporation or partnership of which the person in (2) of this paragraph is an officer, director, partner, or employee.

(b) ''Benefit Enhancements'' means the following Plan benefit enhancements, unless adjusted consistent with the terms of the exemption:

(1) *Removal of Age Reduction Clause Enhancement.* At no additional cost to the Plan's participants and beneficiaries, the Plan's age reduction clause applicable to the Plan's basic life insurance benefits, optional life insurance coverages and accidental death and dismemberment (AD&D) benefits will be removed. Under this enhancement, the insured will no longer incur a reduction in the amount of coverage from 100% to 65% at the age of 65; and no longer incur a reduction in the amount of coverage from 65% to 50% at the age of 70.

(2) *Enhanced Basic Life Insurance Benefit.* The Enhanced Basic Life Insurance Benefit will increase the accelerated insurance payout for qualified terminal illnesses from 90% to 100% of the policy's coverage amount (up to $1,000,000) before the insured's death. Additionally, if the participant or beneficiary is also enrolled in supplemental life insurance, then he or she will receive an increased accelerated insurance payout, from 90% of the supplemental term coverage to 100% of the supplemental term coverage, but only to the extent that the total accelerated benefit amount of both basic and supplemental coverages does not exceed $1,000,000.

(3) *Enhanced Basic Life Insurance Benefit Portability.* The enhancement will add a portability option for its basic life insurance benefit which allows participants to obtain another Basic Life Insurance Benefit upon termination of coverage under the Plan. This benefit will be provided without regard to participants' medical condition, although they may be required to pay higher rates for the insurance.

(4) *The Enhanced Accidental Death & Dismemberment Benefits (AD&D Benefits).*

(i) The first Enhanced AD&D Benefit will add a portability enhancement to the Plan that will allow participants to pay for a new AD&D policy after their employment with Meta ends. The insurance will be issued without regard to participants' medical conditions but may be offered at higher rates.

(ii) The second Enhanced AD&D Benefit will add a new waiver of premium enhancement allowing qualified disabled former employees a waiver of premiums and a continuation of death benefit coverage for their AD&D coverage while such benefit is extended as a result of their total disability (as defined in the Plan).

(iii) The third Enhanced AD&D Benefit provides for bereavement and trauma counseling sessions after a participant experiences a qualifying loss. The benefit will pay 100% of the cost up to $150 per session for 52 counseling sessions that are held within a year of the loss.

(iv) The fourth Enhanced AD&D Benefit will pay a qualifying dependent's tuition upon the death of a participant. This enhancement will require the Plan to pay an annual amount equal to the lesser of (1) the actual annual amount of the dependent child's tuition (exclusive of room and board); (2) 10% of the participant's AD&D death benefit; or (3) $25,000. This benefit is payable annually for up to 4 consecutive years, but not beyond the date the child reaches age 26.

(v) The fifth Enhanced AD&D Benefit will pay the childcare expenses of a deceased participant. The Plan will pay an annual amount equal to the lesser of: (1) the actual cost charged by the relevant Child Care Center per year; (2) 10% of the deceased participant's AD&D death benefit; or (3) $24,000. The benefit is payable annually for a maximum of 4 consecutive years, but not beyond the date the child reaches age 13. If there is no dependent child eligible for this benefit, a benefit of $1,000 will be paid.

(vi) The sixth Enhanced AD&D Benefit will pay for qualifying deceased persons' funeral expenses in an amount equal to the lesser of: (1) the amount of the Funeral Expenses, (2) 10% of the amount of the deceased participant's AD&D death benefit, or (3) $20,000.

(vii) The seventh Enhanced AD&D Benefit will pay a monthly amount equal to the lesser of (1) five percent of the amount of the participant's relevant AD&D benefit and (2) $500 for rehabilitation expenses for a maximum of 12 consecutive months.

(viii) The eighth Enhanced AD&D Benefit will pay a $2,000 per month supplemental monthly mortgage payment to the spouse or domestic partner of a deceased participant's mortgage until the first of the following occurs: (1) the spouse or domestic partner dies; (2) the mortgage is paid in full; (3) the house subject to the mortgage is sold; or (4) the benefit has been paid for 12 consecutive months.

(5) *Enhanced Survivor Income Benefit.* The monthly survivor income benefit offered to an employee's spouse or domestic partner will be increased to 60% of the employee's monthly earnings up to a monthly maximum of $15,000, from the current 50% of monthly earnings up to a maximum of $12,500 per month.

(6) *Benefits Education Program.* The Plan will offer a new Benefits Education Program that will include the following components:

- Life@Benefits service through PartnerComm, Inc.;
- EstateGuidance Program;
- ComPsych Final Arrangements Service;
- GuidanceResources Program; and
- International Medical Group Travel Assistance Services (IMG Travel).

(c) The term ''control'' means the power to exercise a controlling influence over the management or policies of a person other than an individual.

(d) ''Ekahi'' means Ekahi Insurance Company, LLC, a wholly-owned subsidiary of Meta certified by the State of Hawaii to operate as a captive insurance cell company sponsored by Honu.

(e) ''Fronting Insurer'' means Prudential or the successor third-party insurance company that insures certain of the Plan's risks, and then enters into a reinsurance agreement with Ekahi for such risks.

(f) ''Honu'' means Honu Insurance Company, LLC, a wholly-owned subsidiary of Meta certified by the State of Hawaii to transact business as a sponsor captive insurance company.

(g) ''Independent Fiduciary'' means Kathleen Ely, FSA, MAAA, a Consulting Actuary with Milliman of Windsor, Connecticut or a successor Independent Fiduciary that is appointed to represent the interests of the Plan with respect to the subject transaction, provided that such person:

(1) Is not Meta or an affiliate of Meta, Honu or Ekahi and does not hold an ownership interest in Meta, Honu, Ekahi or their affiliates;

(2) Was not a fiduciary with respect to the Plan before its appointment to serve as the Independent Fiduciary;

(3) Has acknowledged in writing that:

(i) It is a fiduciary and has agreed not to participate in any decision with respect to any transaction in which it has an interest that might affect its best judgment as a fiduciary; and

(ii) Has appropriate technical training or experience to perform the services contemplated by the exemption;

(4) For purposes of this definition, no organization or individual may serve as Independent Fiduciary for any fiscal year if the gross income received by such organization or individual from

Meta, Honu, or Ekahi, or their affiliates for that fiscal year exceeds two percent of such organization's or individual's gross income from all sources for the prior fiscal year. This provision also applies to a partnership or corporation of which such organization or individual is an officer, director, or 10 percent or more partner or shareholder and includes as gross income amounts received as compensation for services provided as an independent fiduciary under any prohibited transaction exemption granted by the Department;

(5) No organization or individual that is an Independent Fiduciary and no partnership or corporation of which such organization or individual is an officer, director or ten percent or more partner or shareholder may acquire any property from, sell any property to, or borrow any funds from Meta, Honu, or Ekahi, or their affiliates while the individual serves as an Independent Fiduciary. This prohibition must continue for a period of six months after either (1) the party ceases to be an Independent Fiduciary or (2) the Independent Fiduciary negotiates on behalf of the Plan during the period that such organization or the individual serves as an Independent Fiduciary; and

(6) In the event a successor Independent Fiduciary is appointed to represent the interests of the Plan with respect to the subject transaction, no time should elapse between the resignation or termination of the former Independent Fiduciary and the appointment of the successor Independent Fiduciary.

(h) ''Meta'' means Meta Platforms, Inc.

(i) ''Plan'' means the Meta Platforms Inc. Health and Welfare Benefit Plan.

(j) ''Prudential'' means the Prudential Life Insurance Company of America.

Section II. Covered Transactions

The exemption will provide relief from the prohibited transactions provisions of ERISA sections 406(a)(1)(D), and 406(b)(1) and (b)(3), with respect to: (1) the reinsurance of risks; and (2) the receipt of premiums, by Ekahi, in connection with insurance contracts sold by Prudential (or any successor Fronting Insurer) to provide basic life insurance benefits, AD&D benefits, and survivor income benefits to Plan participants and beneficiaries (the ''Reinsurance Arrangement''). In order to receive such relief, the conditions in Section III must be met in conformance with the definitions set forth in Section I.

Section III. Conditions

(a) Meta must improve the Plan with Benefit Enhancements that are funded solely by Meta in accordance with (1) through (5) below:

(1) For every dollar of net financial benefits that the Reinsurance Arrangement is expected to generate, the Plan, its participants and beneficiaries must receive at least 51 cents on the dollar and, Ekahi and related parties must not receive more than 49 cents (the Primary Benefit Test);

(2) The Independent Fiduciary must determine whether the Primary Benefit Test has been met with respect to each successive five-year period covered by the exemption. The Independent Fiduciary must report its determinations as part of the Independent Fiduciary's next annual report. For purposes of the initial five-year period, the Independent Fiduciary may test only the benefits to the Plan and the costs and benefits that inure to Meta and/or parties directly or indirectly related to Meta during years two through five of the initial five-year period;

(3)(A) If the Primary Benefit Test has not been met with respect to a five-year period, Meta must reduce the participants' portion of the Plan's premium in the next consecutive year by an amount that is at least equal to the amount by which the prior five-year Primary Benefit Test was not met, plus an additional payment of interest on the shortfall at the Code's federal underpayment rate set forth in Code section 6621(b) (such amount, as increased by interest, is referred to as the ''Shortfall''). The reduction in participants' premiums must be allocated equally across all Plan participant contributions toward premiums for Plan benefits (*i.e.,* each Plan participant's contribution must be reduced by the same amount), regardless of whether the respective benefits were reinsured by Ekahi. The premium reduction must be fully implemented during the course of the year following the last year of the five-year period to which it relates, and be verified by the Independent Fiduciary;

(B) If the Plan's total annual participant premiums for all Plan benefits are less than the Shortfall in the year following the aforementioned five-year period, Meta must eliminate all annual participant contribution premiums toward all Plan benefits to cover as much of the Shortfall as possible. Meta must then make up the remaining Shortfall by increasing the value of enhanced benefits to all participants in a monetary value equal to the remaining Shortfall. These additional enhanced benefits must be valued by an actuary and approved in writing by the Independent Fiduciary;

(4) If the Reinsurance Arrangement is terminated, the Independent Fiduciary must determine whether the Primary Benefit Test was met during the period of time between (A) the end of the last five-year period for which a Primary Benefit Test determination was made by the Independent Fiduciary, or if no Primary Benefit Test determination has yet been made, the beginning of the Reinsurance Arrangement, and (B) the termination date of the Reinsurance Arrangement (the Final Term). If the Primary Benefit Test was not met during the Final Term, Meta must address the Shortfall in accordance with Section III(a)(3)(A) and (B) above. Relief in the exemption does not extend to prohibited transactions described in the exemption that occur during the Final Term unless the requirements in Section III(a)(1) through (3) have been met with respect to such Final Term. Furthermore, the Independent Fiduciary must ensure Meta's obligations under Section III(a)(3)(A) and (B) were properly implemented to address the Shortfall, notwithstanding that the Reinsurance Arrangement has already been terminated; and

(5) If the Shortfall is not corrected pursuant to the terms of this exemption, then this exemption's relief will lapse as of the first day of the five-year period to which the Shortfall relates.

(b) The Plan must pay no commissions with respect to its purchase of insurance contracts to provide the benefits that are reinsured under the exemption, or with respect to the reinsurance of such contracts;

(c) In each year of coverage provided by a Fronting Insurer, the formulae used by the Fronting Insurer to calculate premiums will be similar to formulae used by other insurers providing comparable life insurance coverage under similar programs. Furthermore, the premium charges calculated in accordance with the formulae will be reasonable and comparable to the premiums charged by the Fronting Insurer and its competitors with the same or a better financial strength rating providing the same coverage under comparable programs that are not captive reinsured;

(d) No amount of Ekahi's reserves that are attributable to premiums paid for Plan benefits may be transferred to Meta or a related party;

(e) Ekahi, the captive reinsurer, must:

(1) Be a party in interest with respect to the Plan based on its affiliation with Meta that is described in ERISA section 3(14)(G);

(2) Be licensed to sell insurance or conduct reinsurance operations, or be a cell corporation that is legally allowed

to rely on the license of a sponsoring captive insurance company, in at least one state, as such term is defined in ERISA section 3(10);

(3) Have obtained a Certificate of Authority from the state of Hawaii authorizing Ekahi to transact the business of a captive insurance company in Hawaii or legally rely on a sponsoring captive insurance company's valid Certificate of Authority from the state of Hawaii authorizing Ekahi to transact the business of a captive insurance company in Hawaii. Such certificate must not have been revoked or suspended;

(4)(A) Undergo and pass a financial examination (within the meaning of the law of its domiciliary state, Hawaii) by the Insurance Division of Hawaii within five years of the year in which the reinsurance transaction occurred; and

(B) Have undergone, and continue to undergo, an examination by an independent certified public accountant for its last completed taxable year immediately before the taxable year of the Reinsurance Arrangement covered by the exemption; and

(5) Be licensed to conduct reinsurance transactions or legally rely on a sponsoring captive insurance company's license to conduct reinsurance transactions by a state whose law requires that an actuarial review of reserves be conducted annually by an independent firm of actuaries and reported to the appropriate regulatory authority;

(f) The Plan retained and will continue to retain an independent, qualified fiduciary or successor to such fiduciary, as defined in Section I(d), (the Independent Fiduciary) to analyze the transactions covered by the exemption, and render an opinion that the requirements of the exemption have been satisfied;

(g) The Independent Fiduciary must:

(1) In compliance with the fiduciary obligations of prudence and loyalty under ERISA Sections 404(a)(1)(A) and (B), review the terms of the exemption, engage in a prudent and loyal analysis of the covered transactions, and verify that based on its review of all relevant documents and evidence, it has concluded that all of the exemption's terms and conditions have been met (or, due to timing requirements, can reasonably be expected to be met consistent with the terms of this proposed exemption). This conclusion must be documented in a written report submitted to the Department's Office of Exemption Determinations at least 30 days before the Plan engages in a transaction covered by the exemption. The report must include copies of each document relied on by the Independent Fiduciary and discuss the bases for its conclusion;

(2) Monitor, enforce and ensure compliance with all conditions of the exemption including all conditions and obligations imposed on any party dealing with the Plan, throughout the period during which Ekahi's assets are directly or indirectly used in connection with a transaction covered by the exemption;

(3) Report any instance of non-compliance immediately to the Department's Office of Exemption Determinations;

(4) Monitor the transactions described in the exemption on a continuing basis, to ensure the transactions remain in the interest of the Plan;

(5) Take all appropriate actions to safeguard the interests of the Plan, its participants and beneficiaries;

(6) Review all contracts pertaining to the Reinsurance Arrangement, and any renewals of such contracts, to determine whether the requirements of this proposed exemption and the terms of Benefit Enhancements continue to be satisfied;

(7) Determine that the Reinsurance Arrangement is in no way detrimental to the Plan and its participants and beneficiaries;

(8) Provide an annual report to the Department, under penalty of perjury, certifying that each term and condition of the exemption is satisfied and setting forth the bases for the certification. Each report must be completed within six months after the end of the twelve-month period to which it relates (the first twelve-month period begins on the first day of the implementation of the Reinsurance Arrangement covered by the exemption) and submitted to the Department within 60 days thereafter. The relevant report must include the objective data necessary to demonstrate that the Primary Benefit Test has been met; and

(9) Confirm in its annual report (and describe the steps taken to confirm) that Meta has not reduced or offset any participant benefits in relation to its implementation and maintenance of the Reinsurance Arrangement as required by paragraph (k) below;

(h) The Independent Fiduciary must not (1) enter into any agreement or instrument that violates ERISA section 410 or section 2509.75–4 of the Department's regulations, or (2) enter into any agreement, arrangement, or understanding that includes any provision that provides for the direct, or indirect, indemnification or reimbursement of the Independent Fiduciary by the Plan or other party for any failure to adhere to its contractual obligations or to state or Federal laws applicable to the Independent Fiduciary's work, or waives any rights, claims, or remedies of the Plan under ERISA, state, or Federal law against the Independent Fiduciary with respect to the transaction(s) that are the subject of the exemption;

(i) Neither Meta nor any affiliate may use participant-related data or information generated by, or derived from, the Reinsurance Arrangement in a manner that benefits Meta or any affiliated entity;

(j) All the facts and representations set forth in the Summary of Facts and Representation must be true and accurate at all times;

(k) Meta will not offset or reduce any benefits provided to Plan participants and beneficiaries in connection with its implementation of the Reinsurance Arrangement in order to defray the costs, expenses, or obligations of complying with the exemption conditions;

(l) The Plan will only contract with a Fronting Insurer that is unrelated to Meta or any of its affiliates, and that has a financial strength rating of ''A'' or better from A.M. Best. For purposes of this provision, the term ''unrelated'' means that the Fronting Insurer is not owned or controlled by Meta or any of its affiliates in whole or in part;

(m) The Plan pays no more than adequate consideration with respect to insurance that is part of the Reinsurance Arrangement covered by the proposed exemption;

(n) In the event a successor Independent Fiduciary is appointed to represent the interests of the Plan with respect to the subject transaction, no time shall elapse between the resignation or termination of the former Independent Fiduciary and the appointment of the successor Independent Fiduciary;

(o) All expenses associated with the exemption and the exemption application, including any payment to the Independent Fiduciary, must be paid solely by Meta and not the Plan;

(p) Meta may adjust the Benefit Enhancements to the Plan at any time if such adjustment is approved in advance by the Independent Fiduciary after the Independent Fiduciary first determines that each adjusted Benefit Enhancement is in the interest of the Plan's participants and beneficiaries and available to them on an equal basis. The cost incurred by Meta to fund the Benefit Enhancement may be used to determine whether the Primary Benefit Test has been met but may not be considered to address a Shortfall if the

Primary Benefit Test has not been met with respect to a five-year period, unless in accordance with Section III(a)(3)(A) and (B). A complete description of any new Benefit Enhancements and the Independent Fiduciary's rationale and determinations regarding such enhancements must be included in the next Independent Fiduciary report submitted to the Department;

(q) The Reinsurance Arrangement between Ekahi and Prudential or any successor Fronting Insurer must be indemnity insurance only. The arrangement must not relieve a Fronting Insurer from any responsibility or liability to the Plan, including liability that would result if Ekahi fails to meet any of its contractual obligations to Prudential or any successor Fronting Insurer under the Reinsurance Arrangement. Further, the executed reinsurance contract between the Fronting Insurer and Ekahi will expressly state (by rider, addendum, amendment, etc.) that, in the event that Ekahi is insolvent, unable or unwilling to pay any claims, or otherwise prevented from paying any claims, the Fronting Insurer remains solely obligated to pay any claim properly incurred by the Plan and its participants and beneficiaries;

(r) The Plan document and Summary Plan Description (SPD) will be revised within 90 days after the final exemption is published in the **Federal Register** to include a summary of the Reinsurance Arrangement, an explanation of why the arrangement constitutes a transaction prohibited by ERISA (including an explanation of why Ekahi is a party in interest), and the citation for this exemption as published in the **Federal Register**. The revision must also state that the Plan is currently relying on an individual prohibited transaction exemption granted by the U.S. Department of Labor. The revision to the Plan and SPD must be conspicuously displayed and not contained in a footnote. The Plan Administrator must distribute the updated SPD to all Plan participants within six months after the publication date of the granted exemption.

(s) If the Reinsurance Arrangement is terminated, the Plan Administrator will revise and update the SPD accordingly. The Plan Administrator will then distribute the updated SPD to all Plan participants within six months after the termination of the Reinsurance Arrangement.

(t) Meta, and its affiliates, must maintain all the records necessary to demonstrate the conditions of the exemption have been met with respect to all the prohibited transactions described in this exemption for a period of six years from the date of any prohibited transaction for which the exemption provides relief. Meta must provide these records to the Department within 30 days after the date the Department requests these records.

Applicability Date: This exemption will be in effect for the period beginning on the date of its publication in the **Federal Register**.

Signed at Washington, DC, this 3rd day of July 2025.

Christopher Motta,

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

[FR Doc. 2025–12641 Filed 7–7–25; 8:45 am]

BILLING CODE 4510–29–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 25–022]

Notice of Intent To Grant an Exclusive, Co-Exclusive or Partially Exclusive Patent License

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of Intent to Grant exclusive, co-exclusive or partially exclusive patent license.

SUMMARY: NASA hereby gives notice of its intent to grant an exclusive, co-exclusive or partially exclusive patent license to practice the inventions described and claimed in the patents and/or patent applications listed in **SUPPLEMENTARY INFORMATION** below.

DATES: The prospective exclusive, co-exclusive or partially exclusive license may be granted unless NASA receives written objections including evidence and argument, no later than July 23, 2025 that establish that the grant of the license would not be consistent with the requirements regarding the licensing of federally owned inventions as set forth in the Bayh-Dole Act and implementing regulations. Competing applications completed and received by NASA no later than July 23, 2025 will also be treated as objections to the grant of the contemplated exclusive, co-exclusive or partially exclusive license. Objections submitted in response to this notice will not be made available to the public for inspection and, to the extent permitted by law, will not be released under the Freedom of Information Act.

Objections and Further Information: Written objections relating to the prospective license or requests for further information may be submitted to Agency Counsel for Intellectual Property, NASA Headquarters at Email: *hq-patentoffice@mail.nasa.gov.* Questions may be directed to Phone: (202) 358–0646.

SUPPLEMENTARY INFORMATION: NASA intends to grant an exclusive, co-exclusive, or partially exclusive patent license in the United States to practice the inventions described and claimed in: U.S. Patent Application No. 17/999,875 entitled ''Human-Powered Ventilator'' to Kinnor Technologies LLC having its principal place of business in Orange Beach, Alabama. The fields of use may be limited. NASA has not yet made a final determination to grant the requested license and may deny the requested license even if no objections are submitted within the comment period.

This notice of intent to grant an exclusive, co-exclusive or partially exclusive patent license is issued in accordance with 35 U.S.C. 209(e) and 37 CFR 404.7(a)(1)(i). The patent rights in these inventions have been assigned to the United States of America as represented by the Administrator of the National Aeronautics and Space Administration. The prospective license will comply with the requirements of 35 U.S.C. 209 and 37 CFR 404.7.

Information about other NASA inventions available for licensing can be found online at *http://technology.nasa.gov.*

Trenton J. Roche,

Agency Counsel for Intellectual Property. National Aeronautics and Space Administration.

[FR Doc. 2025–12630 Filed 7–7–25; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 25–023]

Notice of Intent To Grant an Exclusive, Co-Exclusive or Partially Exclusive Patent License

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