

March 6, 2017

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Room N-5655  
U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, DC 20210

Attention: Fiduciary Rule Examination

**Re: RIN 1210-AB79**

Ladies and Gentlemen:

On behalf of Robert W. Baird & Co. Incorporated, a broker-dealer and investment adviser, we write in support of the Department of Labor's ("Department") proposed delay in the applicability date of the rule under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") that redefines the term "fiduciary" under section 3(21) of ERISA and section 4975(e) of the Internal Revenue Code of 1986, as amended (the "Code") and in the applicability dates of the exemptions granted with the rule. We hope that our comments are helpful in pointing out why a delay is in the interest of participants and beneficiaries.

We need a delay to ensure our clients understand and are prepared for the significant and unexpected changes they will experience as a result of the rule. We have spent a tremendous amount of money and staff hours comprehending and analyzing the rule, revising how our business runs, changing our policies and procedures necessary to make the enormous shift required by the new rule, drafting client disclosures, correspondence and explanations of revised product offerings necessitated by the rule, and creating compliance and surveillance programs, in addition to a host of other requirements necessary to comply with the rule. Because of the uncertainty regarding this rule, and the President's Memorandum, we have not advised clients of the ways in which the rule will affect the products and services available to them, and have suspended any further activity in response to the rule. We strongly believe that clients will be bewildered, confused and uncertain if changes are communicated to them but are not implemented due to revisions to or repeal of the rule or exemptions as a result of determinations to be made by the Department as directed by the President's Memorandum. We urge you not to disrupt the retirement market in this manner. The rule should not be applicable until the questions raised by the President are addressed and the Department determines whether further revisions or repeal are required.

We believe that the current cost analysis the Department is relying upon is significantly flawed, outdated, and based on incorrect assumptions that are inconsistent with the practices that will be permitted by the exemptions. We also believe that the rule will harm investors due to a reduction of

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American's access to certain retirement savings offerings and products, and financial advice. We further believe that the rule will create increased litigation risk for brokerage and advisory firms, which will cause them to limit their products and services, their willingness to do business with certain types of retirement investors, and possibly increase their prices to account for this increased risk. We will work to provide more specific comments to the Department that respond to the President's concerns, and update the Department's understanding of the changing products and services in this market and likely impact of this rule on retirement investors.

We strongly support a delay of the applicability date for the rule and exemptions. No retirement investor's interest will be served if the fiduciary rule goes into effect before we have certainty on the products and services that can be provided under the final rule. In addition, the Department issued FAQs providing additional explanation as recently as seven weeks ago which still need to be digested by firms impacted by the rule.

We urge you to grant the delay as soon as possible, and it should apply to all parts of the rule and exemptions.

We wish to point out, however, that we believe a 60-day delay will not provide sufficient time to enable the Department to consider and evaluate the comments received to conduct the examination and make the determinations directed by President's Memorandum. It seems more appropriate to delay the applicability date by a year or more. We also believe that a 45-day comment period does not provide sufficient time for persons to submit thoughtful comments on the questions raised in the President's Memorandum or with respect to specific areas and questions described in the Department's notice. A comment period of 90 to 120 days would be more appropriate

Sincerely yours,

ROBERT W. BAIRD & CO. INCORPORATED



Charles M. Weber

Managing Director and Senior Associate General Counsel