

March 6, 2017

The Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Attn: Proposed Definition of Fiduciary Regulation, Room N-5655  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

**Re: RIN 1210-AB79**

Ladies and Gentlemen:

As Chairman and Chief Executive Officer of Stifel Financial Corp (“Stifel”), I appreciate the opportunity the Department of Labor (“DOL”) has given Stifel and other interested parties throughout the industry to comment upon your proposed 60-day delay in the applicability date of the DOL’s final rule entitled, Definition of the term “Fiduciary”; Conflict of Interest Rule-Retirement Investment Advice, 81 Fed. Reg. 20946 (April 8, 2016), herein referred to as “Fiduciary Duty Rule.”

The need for a 60-day delay for the Fiduciary Duty Rule is necessary for the following reasons:

- 1) The President, by memorandum to the Secretary of Labor, dated February 3, 2017, directed the Department of Labor to examine whether the final Fiduciary Duty Rule may adversely affect the ability of Americans to gain access to retirement information and financial advice, and to prepare an updated economic and legal analysis concerning the likely impact of the final rule as part of that examination.

**Clearly, a 60-day delay, at a minimum, is necessary to appropriately respond to the President’s Memorandum.**

- 2) The DOL itself believes that a delay is necessary and that it may take more time to complete the examination mandated by the President’s Memorandum. To cite from the DOL:

*“The Department believes it may take more time than that to complete the examination mandated by the President’s Memorandum. Additionally, absent an extension of the applicability date, if the examination prompts the Department to propose rescinding or revising the rule, affected advisers, retirement investors and other stakeholders might face two major changes in the regulatory environment rather than one. This could unnecessarily disrupt the marketplace, producing frictional costs that are*

*not offset by commensurate benefits. This proposed 60-day extension of the applicability date aims to guard against this risk. The extension would make it possible for the Department to take additional steps (such as completing its examination, implementing any necessary additional extension(s), and proposing and implementing a revocation or revision of the rule) without the rule becoming applicable beforehand. In this way, advisers, investors and other stakeholders would be spared the risk and expenses of facing two major changes in the regulatory environment<sup>1</sup>.*

**As explained by the DOL, a 60-day delay is necessary.**

- 3) In the interest of protecting and helping consumers, and limiting potential disruption in the marketplace, it is very important that the Department of Labor note that for “good cause” the Department should make this delay in the applicability date effective as soon as it is published in the Federal Register, and not allow for any delay that would be beyond the April 10<sup>th</sup> applicability date.

**There is good cause for making the delay effective immediately upon publication in the Federal Register.**

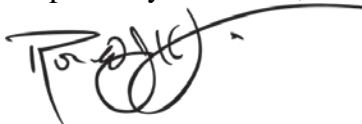
- 4) In addition to a 15-day comment period regarding the sole issue of delaying the rule, the proposed rule provides a 45-day comment period regarding specific areas described in the President’s Memorandum. The 45-day comment period ends seven days *after* the scheduled applicability date of the Fiduciary Duty Rule.

**Obviously, a delay is required when the comment period addressing the specific concerns of the President’s Memorandum ends seven days after the applicability date of the Fiduciary Duty Rule.**

Simply, time is required to assess the impact of the Fiduciary Duty Rule and its alignment with the core principles of the President’s Memorandum.

We strongly support the 60-day delay and further encourage the DOL to announce and make the delay effective as soon as administratively possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "T. O'Neil", written over a horizontal line.

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<sup>1</sup> Department of Labor Notice of Proposed Rulemaking, 82 Fed. Reg. 12319, page 12320 (March 2, 2017)