



March 17, 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

*Submitted electronically to
www.regulations.gov*

RE: Fiduciary Rule Examination; RIN 1210-AB79

To Whom it May Concern:

The Credit Union Association of the Dakotas (CUAD) appreciates the opportunity to provide feedback to the U.S. Department of Labor (Department) regarding the proposed delay of the final rule entitled “Definition of the Term “Fiduciary;” Conflict of Interest Rule—Retirement Investment Advice” which as an applicability day of April 10, 2017. To provide a brief background, the Credit Union Association of the Dakotas represents 66 state and federally chartered credit unions in the states of North Dakota and South Dakota, whose assets total over \$6 billion and who have more than 450,000 members.

CUAD is in full support of the Department’s proposed delay of the applicability date defining who is a “fiduciary” under the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code of 1986 (Code), and the applicability date of related prohibited transaction exemptions including the Best Interest Contract Exemption and amended prohibited transaction exemptions. Credit unions, and others in the financial industry, need the delay to ensure compliance with a rule that still has many uncertainties.

Preserving access for consumers to affordable products and services is the utmost goal for credit unions. Credit unions strive to serve their communities and their members by ensuring their members have access to a variety of products and services. Credit unions are not-for-profit cooperative financial institutions that are owned by their members. Credit unions operate with their members’ best interests in mind. The Department’s final rule unnecessarily placed new burdensome rules and regulations on credit unions that offer IRAs, health savings, and education saving products to their membership. This final rule jeopardizes the future of these products at some credit unions who may not be able to afford the increased regulatory burden and therefore will choose to discontinue offering these products.

2005 North Kavaney Dr. • Bismarck, ND 58501
1741 S. Cleveland Avenue, Suite 304 • Sioux Falls, SD 57103
800.279.6328 • www.cuad.coop



President Trump issued a Memorandum dated February 3, 2017, to the Secretary of Labor, which directed the Department to examine whether the final fiduciary 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.

CUAD supports consumer protections for retirement investors, however, we are concerned that the Department's final rule will limit options to affordable products many consumers find at their local credit union. CUAD implores the Department to extend the delay beyond sixty days until the questions raised by President Trump are addressed. This final rule needs to be reconsidered and revised to ensure that it does not harm credit union members seeking to find affordable products and services at their credit union.

Thank you for this opportunity to share our comments.

Respectfully,

A handwritten signature in cursive script that reads 'Amy Kleinschmit'.

Amy Kleinschmit
VP of Compliance