

March 16, 2017

Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
United States Department of Labor
200 Constitution Avenue NW
Washington, D.C. 20210

Attn: Fiduciary Rule Examination

VIA EMAIL: EBSA.FiduciaryRuleExamination@dol.gov

Re: RIN 1210-AB79
Proposed Rule; Extension of Applicability Date

Dear Sir or Madam:

This letter is written on behalf of Asset Marketing Systems Insurance Services, LLC (hereinafter “Asset Marketing”), an Insurance Intermediary (“IMO”) based in San Diego, California. Asset Marketing is hereby providing its comments to the Department of Labor’s (“DOL” or “Department”) proposed rule to extend the applicability date (“Proposed Delay”) of the Department’s Conflicts of Interest Rule and its related exemptions (“Fiduciary Rule”) as well as the Best Interest Proposed Contract Exemption for Insurance Intermediaries (“Proposed IMO Exemption”).

As stated in its comment letter to the DOL with regard to the Proposed IMO Exemption, Asset Marketing fully supports the intent behind the DOL Fiduciary Rule—to act in the client’s best interest when providing retirement advice. Asset Marketing does not believe, however, that the current Fiduciary Rule and its related exemptions or the Proposed IMO Exemption accomplishes the intent of the DOL, and given the confusion surrounding the Proposed IMO Exemption, Asset Marketing believes that the Proposed Delay of 60 days should be granted as soon as is practicable and definitely prior to the April 10, 2017 applicability date.

Due to the multiple issues surrounding the impact of the Fiduciary Rule on IMOs, the Department issued its Proposed IMO Exemption on January 19, 2017 (82 FR 7336; 29 CFR 2550), a mere 81 days prior to the applicability date of April 10, 2017. Following the conclusion of the 30-day comment period on the Proposed IMO Exemption, IMOs were left with no clarity and only 48 days to comply. This is quite simply not enough time to comply with a regulation that causes a major shift to how IMOs conduct business, and as insurance carriers distributed nearly two-thirds of all fixed indexed annuities (“FIA”) to consumers, the disruption to this distribution channel will limit the ability of consumers to access this important retirement income producing product.



United States Department of Labor
March 16, 2017
Page 2

Asset Marketing urges the department to not only implement the Proposed Delay but also to consider implementing a longer delay that would allow the Department time to comply with the Presidential Memorandum of February 3, 2017. Given the inability for IMOs to take on the role of Financial Institution under the Fiduciary Rule, Asset Marketing believes that the Fiduciary Rule and the Proposed IMO Exemption fall squarely within what the Presidential Memorandum was asking the Department to seek clarification on—whether investors will be harmed due to a reduction in certain retirement product offerings; whether there is already significant disruption within the retirement services industry; and whether an increase in litigation and costs is highly likely.

Since the Department also opened a 45-day comment period on the Fiduciary Rule itself, Asset Marketing believes that the Proposed Delay is the only sensible way for the Department and affected industry organizations to move forward. That comment period closes on April 17, 2017, ten days after the applicability date of the Fiduciary Rule.

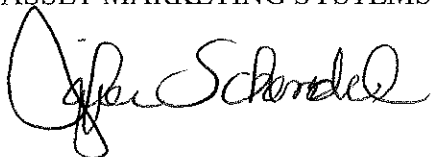
Finally, it should be noted that failure to grant the Proposed Delay will only increase the confusion that exists and will ultimately harm the consumers that the Department is seeking to protect. If the Fiduciary Rule becomes applicable on April 10th and then subsequently the rule is modified or rescinded, the harm to consumers and to those who serve as their financial advisors will be significant.

It is imperative that the 60-day Proposed Delay be issued as soon as possible so that all entities and advisers impacted by this regulation will have clarity on the timing and processes to be followed.

I appreciate the opportunity to comment on the Proposed Delay. Please do not hesitate to contact me with any questions.

Sincerely,

ASSET MARKETING SYSTEMS INSURANCE SERVICES, LLC

A handwritten signature in black ink, appearing to read "Jennifer Schendel". The signature is written in a cursive style with a large initial "J" and "S".

Jennifer Schendel
President & CEO