
From: John Farmer [<mailto:john@farmerandassociates.com>]

Sent: Wednesday, May 17, 2017 5:41 PM

To: Talk to DOL

Subject: Fiduciary Rule

Dear Secretary Acosta,

I have been working in the Insurance industry for over 20 years. Over that period of time I have taken my clients best interest to heart. If the product I had was not the best for my client, I told them so, told them where to get it and walked out of their house. Over the years, that has probably cost me thousands of dollars. However, I believe my integrity is more important than a few dollars.

I am very troubled with the Fiduciary Rule because it assumes all insurance and securities sales people will be honest and work with integrity if they have a license that says they will. If that was the case, they would already be doing it. Why not just add enforcement to current laws and prosecute those agents that do not act with integrity and honesty.

Additionally, it says that Fixed Indexed Annuities are a Security and that I have to have a new license to sell something I have been selling for years. This does not protect the client in any way. It reduces the access they have to counsel on their retirement plans. If a client does not have a certain amount of money, they will not have access to agents who can protect their interest. Regardless of what they say, Robo Advisors will not provide the information and service that a licensed Insurance agent will provide.

I have learned over the years to follow the money. Clients purchasing Fixed & Fixed Indexed annuities are looking for two things that Securities or any other financial instrument cannot provide. They are looking for protection of principal and a lifetime income they cannot outlive. Hundreds of millions of AUM are being moved to Fixed and Fixed Indexed annuities from the equities market. That also means that lots of commissions and fees are being lost by the securities industry. Makes sense that they would want to stop the **hemorrhage** of money to the insurance industry.

There is a major distinction between the insurance industry and the securities industry that has allowed both industries to grow and prosper. Changing that dynamic will not be good for my type of client or myself.

Respectively,

John

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