

July 21, 2017

Filed By Email: EBSA.FiduciaryRuleExamination@dol.gov

Office of Exemption Determinations
Employee Benefits Security Administration
(Attn: D-11933)
U.S. Department of Labor
122 C St. NW, Suite 400
Washington, DC 20001

Raymond J. Manista
Senior Vice President - General Counsel
and Secretary

720 East Wisconsin Avenue
Milwaukee, WI 53202-4797
414 665 2214 office
414 625 2214 fax
raymanista@northwesternmutual.com

**Re: Request for Information Regarding Fiduciary Rule and Prohibited Transaction Exemptions—Potential Delay of January 1, 2018 Applicability Dates
RIN 1210-AB82**

Ladies and Gentlemen:

The Northwestern Mutual Life Insurance Company (“Northwestern Mutual”) appreciates the opportunity to comment on Question 1 of the Department of Labor’s (the “Department”) Request for Information published July 6, 2017 (the “RFI”) regarding the potential delay of the January 1, 2018 applicability dates of the Best Interest Contract Exemption (the “BIC Exemption”), Principal Transactions Exemption and amendments to PTE 84-24 (collectively, the “Exemptions”) related to defining who is a “fiduciary” under the Employee Retirement Income Security Act of 1974 (collectively with the Exemptions, the “Fiduciary Duty Rule”).

Northwestern Mutual has long supported a uniform “best interest” standard care when providing investment advice across its brokerage and investment advisory businesses (including for retirement account and Plan clients), so long as the standard, among other considerations, preserves client choice, ensures client access to affordable retirement options, and avoids client confusion in its implementation.

We believe a delay of the January 1, 2018 applicability dates of the Exemptions is necessary to allow the Department to address questions of law and policy raised by the President’s Memorandum to the Secretary of Labor, dated February 3, 2017 (the “Memorandum”). The Memorandum directs the Department to determine whether the Fiduciary Duty Rule may adversely affect the ability of Americans to gain access to retirement information and financial advice. As part of the examination, the Department is required to prepare an updated economic and legal analysis concerning the likely impact of the Fiduciary Duty Rule. If, as a result of that analysis or otherwise, the Department concludes that the Fiduciary Duty Rule has the adverse impacts mentioned above, it is directed to publish for notice and comment a proposed rule rescinding or revising the Fiduciary Duty Rule, as appropriate and as consistent with law.

We do not believe it is reasonably feasible for the Department to conduct the type of rigorous analysis contemplated in the Memorandum and consistent with the Department’s approach when proposing the Fiduciary Duty Rule in the time remaining before the January 1, 2018 final implementation dates of the

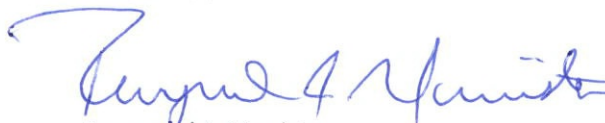
Fiduciary Duty Rule. For example, the RFI has 17 additional question areas for which the Department will receive significant substantive input by the close of the comment period next month. The RFI notes that such input could form the basis of changes or revisions to the Fiduciary Duty Rule or the creation of new related exemptions.

Further, in May the Secretary of Labor publicly acknowledged that the SEC had critical expertise in this area and should be a full participant in the regulatory process. In June, the Chairman of the SEC issued his own request for information on the standards of conduct for broker-dealers and investment advisers and pledged to constructively engage with the Department on this matter, noting that clarity, consistency and coordination were key elements of effective oversight and regulation. Greater coordination between the Department and the SEC is what we have strongly advocated since our original comment letter on the Fiduciary Duty Rule in July 2015, in order to provide clients with a more unified, holistic regulatory approach to meeting needs in their best interests, so we welcome this development but believe that coordination will take time to be done right.

To provide time to sufficiently assess the new RFI input, to effectively coordinate with the SEC, where rulemaking has not started, and to fully address questions raised by the Memorandum,¹ we believe that the Department should extend the January 1, 2018 applicability dates for the Exemptions by a minimum of one year. Further, any proposed amendments to the Fiduciary Duty Rule should provide an adequate period for implementation, but not less than one year from the effective date of the amendments. During these extension and implementation periods, retirement investors would continue to have the protections of the Impartial Conduct Standards under the Fiduciary Duty Rule, absent the Department taking some affirmative action with respect to those standards. We urge the Department to act quickly (within 30 days) to delay the Fiduciary Duty Rule due to the significant customer confusion and marketplace disruption caused by the uncertain status of the fast-approaching January 1, 2018 applicability dates.

If you have any questions regarding our comments or if we can be of any assistance in your consideration of the issues summarized above, please contact the undersigned or John Dunn at 414-665-5443 or johndunn@northwesternmutual.com.

Very truly yours,



Raymond J. Manista

Senior Vice President, General Counsel
and Secretary

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¹ For example, with respect to the Department's consideration of litigation implications as required by the Memorandum, we note the uncertainty created by, and the time that will likely be needed to resolve, the question of class action waivers, which the Department prohibits in the BIC Exemption but is no longer defending in the Fiduciary Duty Rule litigation in light of the position adopted by the government in a pending case before the U.S. Supreme Court.