

From: [Steven Coltune](#)
To: [FiduciaryRuleExamination - EBSA](#)
Subject: Request for info regarding the Fiduciary Rule and Prohibited Transaction
Date: Thursday, July 27, 2017 5:01:40 PM

Hello,

In response to your request of the information regarding the Fiduciary Rule and Prohibited Transaction exemptions. I would like to make a comment on the two questions that were inquired about.

3. Does the rule and PTE's appropriately balance the interests of the consumers in receiving broad based investment advice while protecting them from conflicts of interest? Do they allow advisers to provide a wide range of products that can meet each investors specific needs/wants?

12. Are there ways in which the Principal Transaction exemption could be revised or expanded to help the investor's interests and provide market flexibility? IF so, how?

This rule will prohibit investors from selling taxable municipal securities into a retirement account of their customers in a principal position.

This will prohibit brokers from giving their customers ample investment ideas, and it will prohibit an entire asset class which categorically is municipal securities.

Municipal securities hold a much lower default rate than corporate securities but corporate securities are allowed under this rule!

These taxable municipal securities may have a higher yield than a comparably rated corp. security and in many situations have higher ratings. Most customers seem already own tax free and taxable Muni's in their retirement accounts and can only sell, but not purchase.

Many clients have inquired and requested to buy municipal bonds.

This seems skeptical because the rule was designed to align the financial industry and help their clients.

I would ask for taxable and tax free municipals under the primary transaction exemption to be allowed under the rule, this would better serve the client/ investors needs and better serve the market

Municipals securities are an assest class - known for safety, income and retun of their principal..

Thank you,
Steven Coltune