From: Connor Donohue
To: FiduciaryRuleExamination - EBSA
Subject: FW: DOL RULE REQUEST FOR COMMENT *** PLEASE READ BELOW***
Date: Monday, August 07, 2017 8:05:29 AM

Good Morning,

The below rule prohibits brokers from selling taxable municipal securities to retirement accounts of their customers in a principal capacity. Unfortunately what this does is prohibits brokers from giving their customers broad-based investment advice as it prohibits an entire asset class specifically municipal securities. It is widely regarded that municipal securities hold a much lower default rate than corporate securities yet corporate securities are allowed under the rule. In addition taxable municipal securities may have a higher yield than comparable rated corporate securities. This may also force fixed income investors into bond mutual funds which have higher fees and no set maturity dates. Investors may only sell and not purchase this type of security which, in times of market turbulence, may cause liquidity issues. If the purpose of the rule is to align the financial services industry with that of the clients they serve, then municipal securities which are an asset class known for safety, income, and return of principal should be an available option. I would ask for taxable municipals under the primary transaction exemption to be allowed under the rule to better serve the market and investor needs.

Thank you,
Connor Donohue