

As a financial professional, I am writing to share my concerns in response to the Request for Information (RFI) the Department of Labor has issued about the fiduciary rule. This regulation has already begun to hurt American savers who need advice most on their retirement security and will only continue as the rule becomes fully applicable next year. It is imperative that to stem the harmful impacts we are seeing derived from the implementation of the rule, the Department must delay the rule, remove the private right of action, and work with the SEC, the National Association of Insurance Commissioners (NAIC) and other appropriate regulatory authorities to establish a single, harmonized best interest standard.

My clients are already concerned about potential loss of product offerings, as well as their continued access to insurance and retirement advice if further impending fiduciary rule implementation occurs on January 1, 2018, including the consequences of transitioning indexed annuities and variable annuities out of PTE 84-24 and into the Best Interest Contract Exemption (BICE). They are also confused that my compliance obligations and accompanying disclosures differ between their qualified assets and their nonqualified assets.

I am also very concerned about the new liability caused by the increased legal exposure I face in advising my clients due to the rule creating a new private right of action under the BICE. It has created a significant litigation risk for both firms and advisers and unnecessarily puts financial professionals like me, at greater legal risk and is a misguided attempt to incentivize compliance. The Department should eliminate the contract requirement of the BICE, therefore eliminating the private right of action.

As a financial services professional, I wholeheartedly support putting in place a uniform, harmonized best interest standard of care for financial professionals where my clients' interests are put first. To accomplish that objective, as Secretary Acosta has recently acknowledged, additional regulatory expertise, such as that possessed by the SEC in regulating the securities industry, will need to be used as a standard of conduct for financial professionals selling securities products. In addition to the SEC, I would also urge the Secretary to consider calling upon the NAIC to tap their expertise in regulating the insurance industry, including the regulation of financial professionals who sell insurance products. Utilizing the expertise of these other regulatory agencies, to supplement the Department of Labor's work on this issue, would be helpful to both advisers and more importantly consumers to promulgate a new higher standard of care. Therefore, I would strongly urge the Secretary to coordinate with SEC and NAIC to constructively engage with these other regulatory agencies to ensure the regulations are uniform, harmonized, workable and appropriately and fairly applied to industries and the professionals who work in them.

I respectfully request that Secretary Acosta act expeditiously to delay the entire rule, eliminate the private right of action provision of the rule, and coordinate its work on the rule with the work that the SEC and other regulatory agencies are taking to establish a single, harmonized best interest standard.

Thank you for your attention to this incredibly important issue. I urge you to act immediately to save Americans from these harmful effects and ensure that all savers are able to have a dignified, secure retirement.

Sincerely,

As a financial professional, I am writing to share my concerns in response to the Request for Information (RFI) the Department of Labor has issued about the fiduciary rule. This regulation has already begun to hurt American savers who need advice most on their retirement security and will only continue as the rule becomes fully applicable next year. It is imperative that to stem the harmful impacts we are seeing derived from the implementation of the rule, the Department must delay the rule, remove the private right of action, and work with the SEC and other appropriate regulatory authorities to establish a single, harmonized best interest standard.

My clients are already confused about changes to their accounts and product offerings, as well as further impending changes the fiduciary rule may bring. The rule has and will continue to create different services and arrangements that will require additional time for consumers to digest and address. Many consumers, especially those with smaller account balances, have already become priced out of certain markets and denied access to advice and their accounts orphaned.

My clients' ability to save for the future has been impaired, as some firms have already announced that they will be limiting product choice and reducing web-based financial education tools, leaving clients without easily-accessible investment information. As a result, more time will be needed by savers to absorb all these new changes and reevaluate the investment choices that will guide their plan for retirement.

I am also very concerned about the new liability caused by the increased legal exposure I face in advising my clients due to the rule creating a new private right of action. It has created a significant litigation risk for both firms and advisers and unnecessarily puts financial professionals like me, at greater legal risk and is a misguided attempt to incentivize compliance. The Department should eliminate the contract requirement of the BIC exemption, therefore eliminating the private right of action.

As a financial services professional, I wholeheartedly support putting in place a uniform, harmonized best interest standard of care for financial professionals where my clients' interests are put first. To accomplish that objective, as Secretary Acosta has recently acknowledged, additional regulatory expertise, such as that possessed by the SEC in regulating the securities industry, will need to be used as a standard of conduct for financial professionals selling securities products is developed. In addition to the SEC, I would also urge the Secretary to consider calling upon the National Association of Insurance Commissioners to tap their expertise in regulating the insurance industry, including the regulation of financial professionals who sell insurance products. Utilizing the expertise of these other regulatory agencies, to supplement the Department of Labor's work on this issue, would be helpful to both advisers and more importantly consumers to promulgate a new higher standard of care. Therefore, I would strongly urge the Secretary to coordinate with SEC and NAIC to constructively engage with these other regulatory agencies to ensure the regulation are uniform, harmonized, workable and appropriately and fairly applied to industries and the professionals who work in them.

I respectfully request that Secretary Acosta act expeditiously to delay the entire rule, eliminate the private right of action provision of the rule, and coordinate its work on the rule with the work that the SEC and other regulatory agencies are taking to establish a single, harmonized best interest standard.

Thank you for your attention to this incredibly important issue. I urge you to act immediately to save Americans from these harmful effects and ensure that all savers are able to have a dignified, secure retirement.

Sincerely,