BNY MELLON

September 15, 2017

The Honorable Alexander Acosta
Secretary of Labor
U.S Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Re: Fiduciary Rule – Extension of Transition Period and Delay of Applicability Dates – (ZRIN 1210-ZA27)

Dear Secretary Acosta:

The Bank of New York Mellon ("BNY Mellon") and Pershing LLC, a BNY Mellon company, ("Pershing") appreciate the opportunity to respond to the Department of Labor's (the "Department") proposed Extension of Transition Period and Delay of Applicability Dates. We support the Department's proposed 18-month extension of the special transition period and corresponding 18-month delay of the January 1, 2018 applicability date of the provisions in the Best Interest Contract Exemption, the Principal Transaction Class Exemption, and Prohibited Transaction Exemption 84-24 (collectively the "Prohibited Transaction Exemptions" or "PTEs") relating to the redefinition of the term "fiduciary" under section 3(21) of ERISA and section 4975(e) of the Code (the "Rule") that are not now in effect, along with the other amended exemptions as part of this rulemaking.

We believe immediate delay of the special transition period and the January 1, 2018 applicability date will reduce burdens on financial institutions and avoid harm to retirement investors. As our July 21, 2017 letter indicated, it would be counterproductive to require firms and other service providers, to build processes for conditions of the PTEs that the Department may modify or eliminate. Further, many firms are considering modifications to their services that might include reduced choice for retirement investors. Considering the Department is still in the midst of the review required by the President in his February 3, 2017 memo, an extension and delay will prevent further expenditure of unnecessary implementation costs and may prevent unnecessary restrictions being placed on investors until the Department's review is completed. Further delaying conditions of the PTEs while the Department conducts its review is in the best interest of retirement investors because it prevents unnecessary product restriction, service model constraints or confusing investor communications.

Accordingly, we are supportive of an 18-month extension and delay to allow the Department to complete its review and consider modifications to the Rule and PTEs because it provides certainty that the marketplace needs to minimize disruptions for retirement investors. Whether the Department ultimately pursues a tiered approach or a fixed duration approach with respect to the proposed extension and delay period, once any modifications to the Rule and PTEs are finalized, the Department will need to allow adequate time for firms to comply with such modified Rule and PTEs. We expect any changes proposed to the Rule and PTEs, or any newly proposed PTEs, will be made available to the public for notice and comment with the opportunity to review. Because we don't yet know the scope of these proposed changes or when such changes would become applicable, however, the need for additional potential transition period extensions and applicability date delays with respect to the PTEs is unavoidable.

We urge the Department to promptly finalize the proposed extension of the special transition period and delay of the January 1, 2018 applicability date. Retirement investors should not be put in the position of worrying about possibly experiencing disruption to the advice and guidance they are currently receiving.

Sincerely,

The Bank of New York Mellon

Pershing LLC, a BNY Mellon company