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General Comment

The entire Department of Labor Rules should be repealed. These rules were written at the behest of President Obama by the DOL. The rules are punitive toward the financial services industry, and will be a mother lode of law firm revenue as onerous crushing litigation against financial institutions will ensue. The DOL is the wrong agency to issue such rules. The rules are anti-competitive, since they favor 401(k)s over IRAs, and favor fee-based over commission based financial professionals.

The rules are overreaching and there already are very good protections for all investors and annuity buyers, not just retirement savers, afforded by the SEC, FINRA, and State Insurance Departments. These organizations are there to FACILITATE, not discourage, investment and annuity transactions. They are there to create a level playing field and insure that competition is fair. They are there to weed out the bad financial professionals and financial institutions.

There are at least three very bad outcomes which will occur if the DOL Rules as currently written go into effect. One is the unprecedented right to sue that is granted in these rules. Financial institutions will just put a "Sue Me" sign on their front doors if they are forced to include a best interests contract exemption (BICE) with every application. It will be impossible for these financial institutions to defend themselves when crucial terms in the Rules, such a Best Interests, Fiduciary, and Reasonable Compensation are not defined. The second is that retirement investors with small accounts will be set adrift, since fee-based financial professionals will not want to work with them unless the account size is $250,000 or $500,000. Those small account retirement savers will be directed to some U.S Government MyRA-type accounts, and that is financial malpractice. This will only provide another cheap source of funds to finance the National Debt. Another severe problem with the DOL Rules is that most investors want a financial planner, but few want to pay a recurring annual fee. Most retirement savers want expert advice about an episodic transaction, and are aware the the financial professional is earning a commission.

Please repeal the DOL Rules and have the SEC, FINRA, and State Insurance Commissioners continue to do their job to insure that all investors' and annuity buyers' best interests are protected, as they facilitate, regulate, and maintain a competitive level playing field for everyone. Then, let American investors and annuity buyers decide which financial professionals they want to work with, and how they prefer to pay these experts--by fees or commissions. Investors and annuity buyers are not as stupid and ill-informed as bureaucrats in the DOL have considered them to be. Frank R. Prazma, CLU, ChFC