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Request for Information on the Fiduciary Rule and Prohibited Transaction Exemptions

Comment On: EBSA-2017-0004-0001

Fiduciary Rule and Prohibited Transaction Exemptions; Request for Information

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General Comment

I have commented many times before and been disappointed to see that the onerous DOL Rules have not been repealed.

Regarding Question 1: No delay is necessary. Just repeal and let the SEC, FINRA, and State Insurance Commissioners do their jobs. This would reduce burdens and, most importantly, continue to let financial professions work with small retirement account investors and IRA annuity buyers. The only risk would be to tort lawyers who wouldn't be able to sue for almost any reason imaginable. Mutual Funds, Broker Dealers, Reg. Reps., Insurance Companies, and annuity salespersons simply cannot defend lawsuits that focus on undefinable terms such as "best interests," "fiduciary," and "reasonable compensation."

Regarding Question 3: If the BICE goes into effect, most investment and annuity products will be watered down or eliminated.

This would be to the detriment of all retirement savers. Also, financial professionals will be loathe to give any significant

financial advice, will no longer work with small account retirement savers, and insurance companies will be afraid for legal reasons to have experienced agents present their annuities. Fixed index annuities, which are very attractive and safe for retirement savers, will cease to be marketable financial products.

Regarding Question 8: What is wrong with competition? Why do the DOL Rules favor fees over commissions? Why do the DOL Rules favor 401(k)s over IRA? Why do the DOL Rules apply only to qualified retirement transactions and not all all investment and annuity transactions? This compartmentalization is ANTI-COMPEITIVE. Most small investors and annuity buyers favor commissions for episodic retirement asset transactions over recurring annual fees, and see no added value to these recurring fees, which over time will greatly exceed the cost of commissions.

Regarding Question 11: The SEC, FINRA, and State Insurance Commissions are more than capable of regulating ALL investment and annuity transactions, not just those in qualified retirement plans. Get rid of the DOL Rules. Get rid of the BICE. The DOL should just butt out and stick to labor concerns. Even the PTE 84-24 exemption is not appropriate since it was never made clear was why these transactions should have been "prohibited" in the first place.

Respectfully, Frank R. Prazma, CLU, ChFC