

**From:** [SCOTT D. STUFFLEBEAM](#)  
**To:** [FiduciaryRuleExamination - EBSA](#)  
**Subject:** DOL Fiduciary Rule  
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Dear Secretary Acosta,

As with most government regulations, it is well intentioned, but misses the mark and creates undue burden.

As an attorney focusing on estate planning, real estate, and retirement, I am already required under ethical rules. What does this regulation add? Nothing, but more forms and cost my clients more confusion!

The government should require that each producer should be bound by a uniform code of ethics. This code should be drafted, maintained, enforced through the NAIC via each insurer. This would be similar to the anti-money laundering rules in effect by each insurer, except for the fact the NAIC would oversee it.

I see two major problems that ethical standards should address. The first is the need to fully inform clients of the other alternatives available or of the potential risks involved.

Captured agents or advisors are of great concern. They can offer only a limited product line. Often there are better products out there, but the client isn't fully informed, and therefore makes a uninformed choice. In addition, ask yourself, why have captured agents? From a client's perspective it makes no sense.

Financial institutions selling investment or insurance products have a conflict of interest. First, they have inside information regarding a depositor's financial information. They use that information to sell investment and insurance products. Again, the products offered may or may not be the best fit for the client as they are limited in what can be offered. Let me give you an example from an estate planning client of mine. He was 85 years old. He had suffered a recent heart attack and had major health issues. When investigating his assets. I discovered that he had recently been sold an annuity by his bank. The annuity didn't pay out for 7 years. My clients didn't know what it was, what the terms were, or anything else, other than the bank's employee said they should put their money in this investment because it would pay 2% rather than .5%.

I meet people all the time that believe life insurance, annuities, and other investments are all the same. They are not. They are contracts and as you know, a couple of words can make all the difference in what someone is getting or not getting. Informing the client of what those contracts contain in comparison to others and making recommendations based on a client's needs and risk tolerance through ethical standards developed, maintained, and enforced through private industry is the way to ensure that people are protected without the involvement of the government.

Get rid of the rule and put the protection of clients through appropriate ethical conduct on the industry, which is where it should be.

Namaste,

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