

From: Charles Mann
Sent: Thursday, March 02, 2017 3:14 PM
To: EBSA.FiduciaryRuleExamination
Subject: RIN 1210-AB79 Conflict of Interest Rules

Dear Dept of Labor reviewing Conflict of Interest Rules committee.

I am glad to see that the Conflict of Interest Rule has gone through another period of review so that you can get further comments. I have been involved with the qualified plans for over 35 years and I have seen some dramatic changes take place in the industry.

My feeling towards the Conflict of Interest Rules as they were proposed to go into effect on April 2017 is that they are more harmful than good. I am all for reducing conflict of interest, but not with proposed rules.

The reason is because the rules would cause more potential litigation in an industry that has too many unscrupulous attorneys that are willing to litigate for no valid reason on the hope of corporations paying them off to get rid of the lawsuit. I have heard attorneys use that strategy for litigation. I have client that have not initiated retirement programs because of potential lawsuits. The employees and their families pay the price.

The Conflict of Interest Rules would also limit competition to qualified plans. Many service providers are talking about no longer servicing the industry. We will be left with fewer companies that may very well be poor providers or worse yet have brokers that will always have some Conflict of Interest.

My other concern is that there will be less people willing to service the employees in plans and especially with IRA Rollovers. That is cause in itself to ditch the Conflict of Interest Rules. I hear the brokers already having that discussion.

It is my experience with sales people providing products to qualified accounts has been that the great majority of them want to do what is best for the participants and plan sponsors. In fact over my over 35 years of experience I have never once ran into conflict of interest violation. That is not to say that it doesn't exist, but the damage that the Conflict of Interest Rules can cause, in my opinion is significantly greater than not having any as we have been doing. I do not see a deterioration of greater violation in the industry.

Education is the key. For example the Code of Ethics education that started 10-15 years ago has, in my opinion, gone a long way in making better securities, insurance brokers and sales people.

Stopping of the Conflict of Interest Rules is essential and a better choice for the industry, the participants, the employers and their families. Please eliminate these rules and institute better education programs.

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Thanks, *Charles*

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