PUBLIC SUBMISSION

Docket: EBSA-2010-0050
Definition of the Term “Fiduciary”; Conflict of Interest Rule—Retirement Investment Advice

Comment On: EBSA-2010-0050-3491
Definition of Term Fiduciary; Conflict of Interest Rule—Retirement Investment

Document: EBSA-2010-0050-DRAFT-10700
Comment on FR Doc # 2017-04096

Submitter Information

Name: Anonymous Anonymous

General Comment

I am a financial advisor and understand the need for a fiduciary regulation. However the proposed rule unfairly puts annuities and other commission based products in a poor light. My feeling is, to be a true fiduciary, you have to give your clients all options available. If you cannot or will not offer your clients the guarantee of annuities as an option then in my opinion you are not a true fiduciary. If a client asks for a guaranteed income and all you can offer is some sort of income generating mutual fund, are you really operating in the best interest of the client? A fiduciary should have all options available. An advisor should lay out all available options, explain the pros on cons of each and let the client decide. In my opinion it should be unlawful for any advisor, robo advisor or RIA to not offer guaranteed annuity options for their clients. It's amazing how many will choose a guaranteed lifetime income over riding the ups and downs of the stock market. As for the commission based compensation, it seems the DOL compared A share mutual funds to no load funds. Yes, A shares will cost more upfront, however if an advisor is used and the "fiduciary" advisor charges 1% (more in many cases), it will only take a few years for the A share to cost to cost less. The DOL comparison is flawed in that it doesn't take the "fiduciary" fee into consideration.