

# PUBLIC SUBMISSION

|   |
|---|
| <b>Received:</b> March 07, 2017<br><b>Status:</b> Pending_Post<br><b>Tracking No.</b> 1k1-8v4r-92mj<br><b>Comments Due:</b> March 17, 2017<br><b>Submission Type:</b> API |
|---|

**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-11665

Comment on FR Doc # 2017-04096

---

## Submitter Information

**Name:** Randy Murphy

**Address:** 512 Soose Road

Pittsburgh, PA, 15209

**Email:** randy.murphy@yahoo.com

**Phone:** 4128590280

**Organization:** RA Murphy & Associates

---

## General Comment

As I have clearly stated before, this ruling does nothing more than add potential Legal expenses, increase the products costs to consumers, and disrupts a 99.9% Customer Satisfaction Rated Industry that is doing an amazing job servicing its clients. The bill if approved would cause approx. 500,000 insurance agents their jobs, and does nothing but give more Monopoly power to Wall Street Firms. Please note that Senator Warren sent NONE of her 33 letters to insurance companies, only Wall Street Firms.

The courts in 151a ruled that a Fixed Index Annuity is a Fixed Annuity, and the DOL is treating it as a security under this ruling. They lied to several members of Congress that this would be a minor expense to the industry, knowing the costs could climb to the Billions. They claimed consumers would save 1% in annual costs; which may be true in a security, but not a Fixed Index Annuity. If we place our commission based

FIA into a trail the costs would be less than 1% to consumers per year, so please tell me where they can get Financial Advice and a Great Product any cheaper. Clearly the client won't save a dime, yet alone 1% as projected. If the FIA were sold as a security its costs would climb to about 2.25%, so why are we trying to break something that works so well as an insurance product. Commission based products cost clients less, it's a simple fact !

This proposal will effectively stop Financial Planners from serving the less wealthy, opposite what it claimed it would do, but when you add the additional E&O coverage costs, it will only raise product costs to consumers. Not to mention lawyers are already planning how to grab a piece of this pie, a serious concern for all involved.

The DOL promised IMO's an express system to get appointed; then allowed only 5 potential IMO's of the 400+ an express system, and have yet to provide who will have oversight of their program. They discuss double fines, yet they have no State authority, and no department to oversee such a Law. The State Departments of Insurance have been oversight for these Insurance agents, and do an amazing job, as there 99.9 CSI proves. Let me remind you the Securities industry has a 78% CSI rating, so maybe their is your problem.

Insurance Products are not sold in the 401k market; securities are only allowed to offer 401k's, and it seems to me these cases are sold and no service is being provided to consumers. Maybe you should require proof of service if they are to be paid, or allow insurance products to be admitted into 401k's, then they would get that 99.9 CSI service. But one must wonder why the DOL is attacking the Insurance industry FIA's that can't be sold inside a 401k , which was their initial complaint. This ruling makes no logical sense !

Elizabeth Warren calls FIA's high commissioned products, some as much as 20% ! Well that was true in 1980; but due to aggressive work by the Dept. of Insurance Commissioners, that number is now in 2107 about 6%. Elizabeth may have just stretched the truth! That's a 400% reduction in commissions; which has resulted in weeding out the bad agents in the Insurance Industry, and increased our CSI to 99.9. Before this change our CSI was similar to Securities.

The DOL repeatedly misled several members of Congress that this would be a minor expense to the industry, knowing the costs could climb to the Billions. I ask the President and the DOL to repeal this action forever.