

March 15, 2017

By Email: EBSA.FiduciaryRuleExamination@dol.gov

Office of Regulations and Interpretations
Employee Benefits Security Administration, Room N-5655
U.S. Department of Labor
200 Constitution Avenue, NW
Suite 400
Washington, DC 20210
Attention: Fiduciary Rule Examination

Re: **Proposal to extend applicability date, RIN 1210-AB79**

Dear Sir or Madam:

Allianz Life Insurance Company of North America (“Allianz Life”)¹ appreciates the opportunity to provide these comments on the proposed rule by the Department of Labor (the “Department”) to extend for 60 days the applicability date defining who is a “fiduciary” under the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 and related prohibited transaction exemptions (the “Proposal”) in order to address the questions of law and policy raised by President Donald Trump in a memorandum dated February 3, 2017.

Allianz Life strongly supports the Department’s proposed 60-day delay. We also believe this delay should extend the transition period for the Best Interest Contract Exemption (the “BICE”), such that the end of the transition period, or the full compliance date, is delayed for a corresponding interval. Under the circumstances, the Department should expressly clarify that this delay would also apply to the proposed Best Interest Contract Exemption for Insurance Intermediaries (the “BICE II”), as it did in the Proposal with respect to the BICE.

Allianz Life urges the Department to delay the applicability date even further. We partner with and rely on insurance intermediaries and other financial institutions to market and facilitate the purchase of our fixed indexed annuities. We commend the Department for publishing a proposed class exemption to permit insurance intermediaries to act as a Financial Institution. However, the BICE II is not yet final, and as noted in our February 18, 2017 comment letter, and in comment letters submitted by many others, several of the proposed exemption’s requirements are difficult, if not impossible to meet. If the same requirements remain in the yet-to-be-published final class exemption, a large majority of our insurance intermediary partners will not be able to comply, notwithstanding the 60-day delay. Therefore, we strongly urge the Department to extend the applicability date by at least an additional 180 days to allow sufficient time to comply with the requirements of the BICE II.

¹ Allianz Life is a life insurance company that offers a portfolio of individual annuities and insurance products. Allianz SE is the parent company of Allianz Life.

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Allianz Life appreciates the opportunity to provide comments on the Proposal. Should the Department have any questions, please contact me at james.nelson@allianzlife.com or (763) 765-7500.

Sincerely,

A handwritten signature in blue ink that reads "James E. Nelson". The signature is written in a cursive style with a large initial "J" and "N".

James E. Nelson

Vice President, Deputy General Counsel