



VIA ELECTRONIC MAIL (EBSA.FiduciaryRuleExamination@dol.gov)

To: Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Conflict of Interest Rule
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

RE: RIN 1210-AB79: Proposal to Delay the Applicability Date of the Definition of the Term "Fiduciary"

Ladenburg Thalmann Asset Management Inc. ("Ladenburg") appreciates the opportunity to comment on the Department of Labor's ("Department") proposed rule regarding the delay of the applicability date of the Definition of the Term "Fiduciary."

About Ladenburg

Ladenburg Thalmann Asset Management ("Ladenburg") is an SEC Registered Investment Advisory ("RIA") firm, established in 1982, and has over \$2 billion in assets under management. Our dedicated staff of professionals has over 100 years of investment management experience, specializing in market analysis, due diligence, fund selection and asset allocation and diversification strategies. As an RIA we act as a fiduciary for our clients and deliver personalized strategies and a full range of investment solutions.

Support for Delay

The President's Memorandum dated February 3, 2017 directed the Department to examine the Definition of the Term "Fiduciary" and related Prohibited Transaction Exemptions ("Rule") to determine if (1) if investors will have reduced access to retirement products and financial advice, (2) if investors will be negatively impacted by disruptions within the industry, and (3) if there will be a likely increase in litigation. To that end, the Department has initiated a 45-day comment period to undertake such an examination.

We agree with the Department that should it revise or rescind the Rule after the current applicability date, as these changes in the regulatory environment will cause disruption to retirement investors and produce additional and unnecessary frictional costs. Additionally, if the current applicability date is maintained, retirement investors will face harmful disruptions and reduced access to retirement products and financial advice.

Due to the fact that (1) the 45-day comment period ends after the current applicability date of the Rule, (2) the Department will need additional time to review such comments, (3) retirement investors will face reduced access to advice and products, and (4) the industry needs more time to fully comply with the Rule, Ladenburg fully supports the Department's proposal to delay the applicability date. Further, we believe that all aspects of the Rule should be delayed, and that a delay period of 180 days is more appropriate to allow the Department ample time to complete a full examination of the Rule.

Support for a Carefully-Crafted, Universal Fiduciary Standard of Care

Ladenburg supports a carefully-crafted, universal fiduciary standard of care that will be applicable to all professionals providing personalized investment advice to retail clients.

However, we do not support the Department of Labor's Rule as currently written and will provide comments to that effect in a separate letter. We believe such carefully-crafted universal fiduciary standard of care should make it easier for investors to receive high-quality, individualized investment advice from a trusted advisor, while maintaining the ability for "Americans to make their own financial decisions."

Such regulation should provide retail investors with a clear and easy to understand standard of care that is applicable to the entirety of the client's relationship with a trusted advisor.

Professionals should be required to do the following:

- Act in the best interest of the client;
- Provide advice with skill, care, and diligence based upon the individual needs of the client; and
- Disclose material conflicts of interest, avoid them when possible, and obtain informed client consent to act when conflicts cannot be reasonably avoided.

Thank you for considering Ladenburg's comments. Should you have any questions, please contact me at 212-409-2682.

Respectfully,



Philip S Blancato
CEO & President
Ladenburg Thalmann Asset Management