



Western & Southern
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April 7, 2017

VIA FEDEX

U.S. Secretary of Commerce Wilbur Ross
Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230
United States
National Headquarters

RE: Department of Labor Fiduciary Rule Delay, effective April 7, 2017

Dear Secretary Ross:

As the Chairman, President and Chief Executive Officer of Western & Southern Financial Group (W&S), a diversified financial services company, which manufactures and distributes an array of life insurance products, annuities, mutual funds and private funds, I am very concerned about the actions of the Department of Labor this week in delaying the Fiduciary Rule for only 60 days and stating flatly that it will proceed with implementation of the Impartial Conduct Standards (*i.e.*, the best interest standard of care, reasonable compensation standards) on June 9, 2017.

While we appreciate that the Department of Labor delayed the best interest contract and private right of action until at least the end of the year, the Department of Labor's decision to move forward with the core parts of the Fiduciary Rule on June 9, 2017, is contrary to President Trump's Memorandum directing the Department of Labor to review the Rule in its entirety. The President's Memorandum directs the Department of Labor to examine the Fiduciary Rule, and specifically consider:

- (i) Whether the anticipated applicability of the Fiduciary Duty Rule has harmed or is likely to harm investors due to a reduction of Americans' access to certain retirement savings offerings, retirement product structures, retirement savings information, or related financial advice;
- (ii) Whether the anticipated applicability of the Fiduciary Duty Rule has resulted in dislocations or disruptions within the retirement services industry that may adversely affect investors or retirees; and

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(iii) Whether the Fiduciary Duty Rule *is likely to cause an increase in litigation, and an increase in the prices that investors and retirees must pay to gain access to retirement services.*

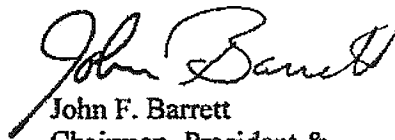
We strongly believe that the answer to each of these questions is clearly yes, and virtually all of the industry trade groups, including the American Council of Life Insurers, Financial Services Roundtable, Financial Services Institute, and Insured Retirement Institute, strongly agree as well.

With W&S' diverse products and distribution models, the Fiduciary Rule will have numerous, significant adverse effects on W&S's and its affiliates' ability to serve our clients. The Fiduciary Rule is overly broad, requires significant costly compliance and supervisory structures, and will subject those providing investment education and advice to potentially costly class action litigation, all without commensurate benefit to retirement investors. In short, we believe the Fiduciary Rule is a worst-case scenario for the industry and will result in less access to retirement advice for middle-market retirement savers who truly need it.

Because President Trump's nominee for Secretary of the Department of Labor has not yet been confirmed by the Senate, and time is of the essence, I am writing you to convey our frustration and disappointment with the actions of the Department of Labor. We ask that the Fiduciary Rule be delayed in its entirety until such time as the Department of Labor has had a full opportunity to analyze the Fiduciary Rule pursuant to the President's explicit directive. We believe that the Department of Labor, once it completes the necessary, exhaustive review under the new Secretary of Labor, will either substantially revise the Fiduciary Rule, or revoke the Fiduciary Rule entirely. Ideally, we believe the Department of Labor should start fresh to propose a best interest standard that is reasonable, practical, uniform, and agnostic to business model, which fosters retirement saving in a cost-effective way.

Please let me know if I or W&S can assist or provide any further information about this important issue facing our industry and retirement investors.

Sincerely,



John F. Barrett
Chairman, President &
Chief Executive Officer
Western & Southern Financial Group

JFB/cst

*P.S. Great delivery at the
Business Round Table
week before last.*