

PAUL HASTINGS

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July 13, 2017

Employee Benefits Security Administration
United States Department of Labor
Office of Exemption Determinations
via <http://www.regulations.gov>

Re: RIN 1210-AB82

Dear Sir or Madam:

Advisors Excel, LLC ("Advisors Excel") appreciates the opportunity to comment on the proposed extension of the January 1, 2018, Applicability Date of certain provisions in the Best Interest Contract Exemption ("BIC"), the Class Exemption for Principal Transactions in Certain Assets Between Investment Advice Fiduciaries and Employee Benefits Plans and IRAs, and Prohibited Transaction Exemption 84-24 ("PTE 84-24"). Please note, this comment letter pertains solely to the proposed extension of the January 1, 2018 Applicability Date ("Applicability Date"). Comments regarding substantive issues as requested in the Request for Information will be provided in a letter submitted at a later date.

Advisors Excel believes a reasonable delay of the Applicability Date is appropriate. The risks associated with implementing a partially developed Rule with uncertain procedural requirements and outstanding questions only serve to disadvantage retirement investors. The Impartial Conduct Standards put in place by the United States Department of Labor ("DOL or Department") on June 9, 2017, provided the transitional safeguards necessary to allow the Department to take the required time to fully understand the impact of the Conflicts of Interest Rule ("Rule") before implementation. A rushed implementation will result in unnecessary market disruption and confusion for retirement investors. Advisors Excel believes the Department should undertake a comprehensive review of the Rule to ensure the objectives of the Rule are being met while also mitigating detrimental impacts to consumers and the industry. Multiple questions remain surrounding the Rule that have not been adequately answered or even addressed by the Department including practical implementation questions and the status of proposed exemptions. Advisors Excel believes it is inappropriate to move forward with an incomplete Rule and requests the Department complete a thorough review prior to implementation.

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The Presidential Memorandum on the Fiduciary Duty Rule dated February 3, 2017, requires a review of the Rule in its entirety. As the Department undertakes the requested review, the insurance industry remains in a state of limbo with little to no guidance being released on what changes, if any, will occur to the Rule. While significant compliance efforts were undertaken prior to June 9th, the potential for changes to Rule following the comprehensive examination necessitates a reasonable delay beyond the Applicability Date to ensure any modifications to the Rule can be implemented by the industry. Further, the insurance industry has likely taken a cautious approach to fully implementing changes in light of the Presidential Memorandum and is not apt to invest millions of dollars in the interim for compliance with a Rule under review and potentially subject to change. Accordingly, once the final language of the Rule is determined it will take time for the industry to implement the required changes.

In addition to allowing the insurance industry adequate time to conform to any Rule modifications, an extension will provide the Department the opportunity to provide more substantive guidance to assist the industry in implementation. To date, the limited guidance provided by the DOL has been philosophically written and vague; requiring the industry to make assumptions as to how to practically implement the broad direction. Specific guidance would be beneficial to both the industry and retirement investors, allowing for uniform application of the Rule and minimizing deviations from carrier to carrier providing consistency and predictability to the end consumer.

As a specific example of the unanswered questions which remain, the proposed Best Interest Contract Exemption for Insurance Intermediaries ("IMO Exemption") which the DOL released as a potential vehicle for Insurance Marketing Organizations ("IMO") entry into the newly created regulatory realm has sat dormant since the Department released it on January 19, 2017. Following the release of the IMO Exemption, the DOL invited comments from affected parties, which were provided. Advisors Excel, which submitted a comment letter regarding the IMO Exemption, and other similarly situated entities have been provided with no clarity on any potential changes to the IMO Exemption or whether the Department even plans to move forward with the IMO Exemption in any manner. As pointed out in Advisor Excel's comment letter on the IMO Exemption, many of the conditions of the IMO Exemption will be difficult, at best, to achieve and are wholly unworkable in some instances. Lack of additional guidance on this exemption places entities hoping to rely on it in a disadvantaged position until a decision is made; further supporting a delay of any effective date until these matters have been resolved. Similar questions about specific implementation undoubtedly remain as well.

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Thank you for the opportunity to comment on the proposed extension of the January 1, 2018
Applicability Date. Please feel free to contact us if you have questions.

Regards,



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of PAUL HASTINGS LLP