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General Comment

I wish to comment on Section VI (b) Covered Transaction Section (3) on page 104 of your DOL Proposed Best Interest Contract Exemption rules document.

I am an independent life and annuity agent, and I have sold life insurance and annuities for over 27 years. I was also a securities-based Registered Rep. for 21 years until I resigned in 2010. In all of those years I worked with many types of clients, most of whom were middle-class individuals, and 100% of my compensation was in the form of commissions.

I have never had a complaint brought against me by any governmental agency, individual, insurance company, broker dealer, or mutual fund company. Now, I am insurance licensed by my home state, North Carolina, and I also hold non-resident life and annuity insurance licenses from 12 other states.

The last 10 years I have specialized in doing what are called "fixed index annuities." These non-securities-based tax deferred retirement annuities are very safe. They provide a very good alternative for Baby Boomers to diversify and reduce securities-based downside market risk from their qualified and non-qualified retirement assets. Not one of my fixed index annuity clients has ever lost a penny; in fact, every one of them is ahead due to a combination of

bonuses, what are called guaranteed interest crediting "rolloups," and interest credited due to the performance of some underlying index such as the S & P 500 Stock Index. I think that the combined asset value of my clients' fixed index annuities exceeds \$30 million. Overall, these fixed index annuities are very prudent retirement assets for most Baby Boomers to own for safety, growth, and eventual guaranteed lifetime income purposes.

The reason for this comment concerns the Prohibited Transaction Exemption (PTE) 84-24 for non-securities insurance salespersons, such as myself. In 27 years I never knew that I sold qualified annuities to clients for their IRAs that were "Prohibited Transactions." I disagree with the whole pejorative term, and can't imagine how what I have done to benefit my many clients should in any way be considered a prohibited transaction.

But, in particular, I wish to call your attention to what I think is an omission, intentional or not, on page 104 of your "Proposed Best Interest Contract Exemption" document ZRIN 1210-ZA25. Pages 103 and 104 in section (b) list four items that would allow exemption of a life insurance or annuity transaction from being considered a Prohibited Transaction by virtue of PTE 84-24. Item (3) on page 104 allows exemption if "The Purchase is for cash only; and." The omission of a specific exemption for the purchase of non-securities-based annuities by clients for their IRAs using the common methods of IRA asset transfers or 401(k) Direct Rollovers is a serious shortcoming in my view. Many of my clients and prospective clients' first statements to me are that they are worried about the loss of principal in their securities-based IRAs and 401(k)s. I have done many of these transfers and rollovers with clients, and this has been very beneficial to them so that they are able to manage their retirement assets and control risk they will accept. Most of my clients remember that in 2008 the S & P 500 Stock Index went down 53%! I request that you amend Section VI (b) (3) to read "The purchase is for cash, or by qualified plan rollover or IRA asset transfer; and".

I will also forward this comment to each of my federally elected representatives. Thank you for looking at my comment.