

September 13, 2017

VIA EMAIL

Employee Benefits Security Administration

Office of Exemptions

U.S. Department of Labor

200 Constitution Avenue, NW

Washington, D.C. 20210

[EBSA.FiduciaryRuleExamination@dol.gov](mailto:EBSA.FiduciaryRuleExamination@dol.gov) (Subject: ZRIN 1210-ZA27)

RE: Extension of Transition Period and Delay of Applicability Dates; Best Interest Contract Exemption (PTE 2016-01); Class Exemption for Principal Transactions in Certain Assets Between Investment Advice Fiduciaries and Employee Benefit Plans and IRAs (PTE 2016-02); Prohibited Transaction Exemption 84-24 for Certain Transactions Involving Insurance Agents and Brokers, Pension Consultants, Insurance Companies, and Investment Company Principal Underwriters (PTE 84-24) (ZRIN 1210-ZA27)

Ladies and Gentlemen:

On behalf of Western & Southern Financial Group, Inc. (“W&SFG”),<sup>1</sup> and its subsidiaries, we appreciate the opportunity to provide comments in response to the Department of Labor’s (the “Department”) proposal to extend the special transition period under sections II and IX of the Best Interest Contract Exemption through July 1, 2019, and to delay the applicability of certain amendments to Prohibited Transaction Exemption 84-24 for the same period.<sup>2</sup>

W&SFG strongly supports the proposed extension. As discussed in prior W&SFG comment letters,<sup>3</sup> the transition period should be extended to provide sufficient time for a thorough review of the entire Fiduciary Regulation<sup>4</sup> in accordance with President Trump’s mandate; to allow appropriate time *after* the Fiduciary Regulation is

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<sup>1</sup> W&SFG is wholly-owned by Western & Southern Mutual Holding Company, a mutual insurance holding company. W&SFG is a Fortune 500, diversified, and customer-oriented family of companies, as well as a nationally recognized leader in consumer and business financial services. W&SFG and its subsidiaries manufacture a diverse array of products, including a variety of life insurance products, annuities, mutual funds, and private funds. In addition, our companies distribute these products to consumers through a variety of distribution models, including a captive sales force, intermediaries such as banks, broker-dealers, and insurance marketing organizations, and independent agents that are often small business owners.

<sup>2</sup> 82 Fed. Reg. 41365 (Aug. 31, 2017).

<sup>3</sup> See letter of W&SFG dated July 19, 2017, available at <https://www.dol.gov/sites/default/files/ebsa/laws-and-regulations/rules-and-regulations/public-comments/1210-AB82/00170.pdf>; see also letter of W&SFG dated March 14, 2017, available at <https://www.regulations.gov/document?D=EBSA-2010-0050-4367>

<sup>4</sup> “Fiduciary Regulation” refers to the *Definition of the Term “Fiduciary”*; *Conflict of Interest Rule – Retirement Investment Advice* and associated prohibited transaction exemptions.

reviewed and revised to implement any product changes, build/modify compliance structures, and make other changes to business processes; and to foster and permit coordination among applicable regulators.

While we do not have a preference regarding the proposed structure of the extension, W&SFG strongly believes that only after the Fiduciary Regulation has been thoroughly reviewed and revisions to it have been proposed and finalized (all in accordance with the President Trump's February 3, 2017 memorandum<sup>5</sup>), will W&SFG and other similarly situated companies know with certainty what conditions will be placed on providing investment advice to retirement investors. Only then, can we appropriately design and implement compliance structures, make investments in information technology, and produce products and services that meet both the revised Fiduciary Regulation requirements and the needs of retirement investors.

W&SFG supports a uniform, workable standard that ensures that consumers across the economic spectrum receive advice that is in their best interest and have access to a wide range of products that meet their varied financial circumstances, objectives, needs and risk tolerances. With the appropriate time to review and revise the Fiduciary Regulation and coordinate with the other applicable regulators, we are hopeful that this goal can be achieved without further harm to retirement investors. Once again, W&SFG appreciates the opportunity to comment. If you have any questions regarding our comments or if we can be of any assistance in your consideration of the issues discussed above, please contact Sarah Sparks Herron at 513-357-4055 or [sarah.herron@westernsouthernlife.com](mailto:sarah.herron@westernsouthernlife.com) or me. Thank you.

Sincerely,



Jonathan D. Niemeyer  
Senior Vice President, Chief Administrative  
Officer and General Counsel

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<sup>5</sup> Presidential Memorandum on Fiduciary Duty Rule – Memorandum for the Secretary of Labor, 82 Fed. Reg. 9,675 (Feb. 7, 2017).