

**From:** Jeff Moore  
**Sent:** Wednesday, October 04, 2017 8:27 PM  
**To:** FiduciaryRuleExamination - EBSA  
**Subject:** Insurance agents need the DOL Fiduciary Rule too

Thanks for letting me comment on the DOL rule. As a 30 year veteran of the annuity industry, I firmly believe that I always act in my clients best interests. But I also see many other insurance agents who act like your typical used car salesman and give all of us a bad rep. I support the DOL rule and think it should go into affect now. If you delay the rule and decide to partner with the SEC on a rule, you are leaving out more than 100 thousand independent agents who are not regulated by the SEC. That means there are a lot of bad apples that dont answer to anyone and don't have any motivation to do the right thing by clients. And a rule without consequences is worthless. These bad apples won't change their business and play by the rules.

From what I've read, LIMRA says that the insurance industry issued \$117 billion in fixed annuities in 2016 and more than \$58B of it was fixed index annuity sales. That's more than variable annuity sales last year!

I see many in my (annuity) industry complaining about how they can't comply with the rule, and I don't believe it. Yes it's new and its a change. It will probably be more work. But our reputation in this industry is so important and I need my clients to trust that I am doing right by them. This rule will help me prove it!

I wanted to show articles and other things to show you how some in this fine industry are behaving. I would like to see this rule put into effect, for anyone selling products to retirees. This can't be a rule for investment folks only. We all need to play by the same rules. From what I see in these links below the state insurance departments are not doing a very good job of catching bad agents doing bad things.

Here is just a sample of what the industry is actually saying these days. For example-

1) This link pushes an FIA with "monstrous" commissions. How is this doing right by clients?? By the way, it's foolish to compare a CD to an annuity, they are not the same product. It's actually illegal to do this in many states! I see this kind of thing ALL THE TIME and cant believe they continue to sell annuities like this and get away with it.

<http://insurancwebx.com/dol-exempt-fia-and-cd-alternative-that-pays-monstrous-commission/>

2) The industry has been complaining that the cost of complying with the DOL Rule is so costly that many advisors will abandon clients with fewer assets to invest. I strongly disagree with this, it is a ridiculous claim! I and many other advisors am happy to take on almost any client, regardless of how much money they have. There is no shortage of advisors who target the small-to-mid-size market. Plus these smaller accounts are great prospects for new advisors just entering the field. Here is an article that I think says the same thing -

<http://www.investmentnews.com/article/20170817/FREE/170819947/plenty-of-advisers-eager-to-scoop-up-orphaned-accounts>

NAFA (National Association of Fixed Annuities) is a trade organization that most Fixed and Fixed Indexed Annuity carriers and their agents belong to. As you know, the organization is is opposed to the rule. On their own website, they provide advertising materials to their members to use with clients - which have illegal sales issues. Some examples:

<https://allprodm.com/nafa/products/collateral-material.html> - solicits annuity sales by using lead generation materials that promote reverse mortgages, or look like a tax document from the IRS - without

ever telling the client that the real reason they want to meet is to sell them an annuity. Total bait and switch practices!

<https://allprodm.com/nafa/products/customized-social-security-marketing-geared-toward-your-imo-social-security-maximization-software.html> - these draw clients in by promising to get clients high social security payments but never mention that they are insurance agents who are really just trying to sell them an annuity. Again, this is a bait and switch way to get clients. These kinds of things are rampant in the insurance industry.

Thanks for listening. I love this industry and I hate to see it tarred by the bad apples. We need to level the playing field - if I'm an insurance agent and am not a fiduciary I will probably lose clients to investment advisors who are. Let's all play by the same rules and do business the right way.

- Jeff