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July 21, 2015

**VIA ELECTRONIC SUBMISSION**

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Attn: Conflict of Interest Rule, Room N-5655  
U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, DC 20210

**Re: RIN 1210-AB32, Definition of the Term “Fiduciary”; Conflict of Interest Rule—Retirement Investment Advice**

To Whom It May Concern:

The Pace Investor Rights Clinic at Pace Law School, operating through John Jay Legal Services, Inc. (“PIRC”),<sup>1</sup> welcomes the opportunity to submit this comment letter in support of the Department of Labor’s proposal to create a uniform fiduciary standard for financial professionals providing retirement investment advice.

PIRC regularly represents unsophisticated investors of modest means in disputes with their brokers and broker-dealers. All too often, our clients were led by their brokers to believe that the brokers had a duty to, and indeed were, looking out for their best interests. However, in fact, the brokers lacked such a duty and steered our clients into investments that were not in their best interests. The current proposal will oblige financial advisers to put clients’ interests first, and to put that obligation in writing. This best interest standard should hold anyone who gives financial advice to everyday Americans, like those represented by PIRC, genuinely accountable to choose the best retirement investments for their clients, rather than ones that enrich brokers and bankers. The proposed rule will help ensure that all financial professionals who offer retirement investment advice make recommendations designed to serve the best interests of

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<sup>1</sup> PIRC opened in 1997 as the nation’s first law school clinic in which law students, for academic credit and under close faculty supervision, provide pro bono representation to individual investors of modest means in arbitrable securities disputes. See Barbara Black, *Establishing A Securities Arbitration Clinic: The Experience at Pace*, 50 J. LEGAL EDUC. 35 (2000); see also Press Release, Securities Exchange Commission, SEC Announces Pilot Securities Arbitration Clinic To Help Small Investors - Levitt Responds To Concerns Voiced At Town Meetings (Nov. 12, 1997), available at <http://www.sec.gov/news/press/pressarchive/1997/97-101.txt>.

consumers by keeping costs low, recommending sound investments, protecting retirement nest eggs from unnecessary risks, and mitigating conflicts of interest.

In addition, PIRC believes that the Department should adopt the standards developed by FINRA in defining communications that rise to the level of a recommendation for purposes of distinguishing between investment education and advice under ERISA.

While PIRC supports the adoption of a uniform fiduciary standard by *all* financial professionals related to advice regarding *all* types of investments, not just those in retirement accounts, we believe the Department's proposal is an important step forward, especially as baby boomers retire and move money from plans into IRAs. This is one of the most important financial decisions many people will make in their lifetimes, and it should be protected immediately.

Respectfully yours,

Elissa Germaine  
Supervising Attorney, PIRC

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Director, PIRC