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ADVISORS ASSET MANAGEMENT

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BY ELECTRONIC MAIL TO e-OED@dol.gov and e-ORI@dol.gov

Office of Exemption Determinations
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Re: Comments on Conflicts of Interest Proposed Rule (RIN: 1210–AB32) and Best Interest Contract Exemption (ZRIN: 1210–ZA25)

Ladies and Gentlemen:

Advisors Asset Management, Inc. ("*AAM*") is a broker-dealer and investment adviser registered with the Securities and Exchange Commission that primarily provides investment products and financial services on a wholesale basis to other financial professionals. AAM engages in the offering, sponsorship, wholesaling and marketing of various investment products including unit investment trusts ("*UITs*") registered under the Investment Company Act of 1940 (the "*1940 Act*"). As of March 31, 2015, the brokerage and advised business at AAM represented approximately $17.1 billion in assets. As of that date, the firm acted as sponsor to $10.3 billion in UIT assets. The firm also had $6.0 billion in assets under administration that represents the non-proprietary assets for which AAM provides various levels of service, but not management, and $782 million in advisory account assets under management. Among other things, we market investment products to other financial intermediaries such as broker-dealers which offer securities to clients that include employee benefit plans and individual retirement accounts ("*IRAs*"). We appreciate the opportunity to comment on the Department of Labor's (the "*Department's*") re-proposed regulations addressing when a person providing investment advice with respect to an employee benefit plan or IRA is considered a fiduciary under the Employee Retirement Income and Security Act of 1974 ("*ERISA*")[1] and the associated issuance of the Proposed Best Interest Contract Exemption (the "*Best Interest Contract Exemption*").[2]

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1 80 Fed. Reg. 21928 (April 20, 2015).

2 80 Fed. Reg. 21960 (April 20, 2015).

While we generally support the Department's goal of better protecting retirement investors, we are concerned that a technical aspect of the Best Interest Contract Exemption could have unintended consequences for UITs and UIT investors regarding the way compensation is paid with respect to the sale of UITs and request clarification. We reference the comment letter of Chapman and Cutler LLP to the Department dated July 20, 2015 regarding the re-proposed regulations and the Best Interest Contract Exemption. For the reasons described in that letter, we respectfully request that the Department clarify that the view set forth in footnote 27 of the Best Interest Contract Exemption proposal applies to riskless principal transactions in shares of "an investment company registered under the Investment Company Act of 1940" or in "redeemable securities of an open-end company or unit investment trust registered under the Investment Company Act of 1940" rather than to riskless principal transactions in "mutual fund shares".

Additionally, we are concerned the re-proposed regulations could have unintended consequences for certain marketing and educational efforts by investment product sponsors, manufacturers, wholesalers and similar persons (including UIT sponsors and open-end fund investment advisers and distributors). For example, AAM and similar product manufacturers engage in regular marketing and educational efforts with financial professionals, such as broker-dealers and their representatives, and those financial professionals would be treated as investment advice fiduciaries with respect to retirement account investors under the re-proposed regulations. As a result, it is unclear whether investment product sponsors and wholesalers could themselves be considered fiduciaries under ERISA under certain circumstances even where the product sponsor or wholesalers have no contact with an employee benefit plan or IRA investor. Accordingly, we request clarification on the treatment of product sponsors. For the reasons described in Chapman and Cutler LLP's letter, we respectfully request that the Department clarify that these types of communications to a financial intermediary such as a broker-dealer that is itself an investment advice fiduciary not cause an investment product sponsor, manufacturer, wholesalers or similar person (including a UIT sponsor or other fund distributor) with no relationship to an employee benefit plan or IRA to be treated as a fiduciary under ERISA.

We appreciate the opportunity to comment on this important proposal and related exemptions. We would welcome the opportunity to discuss these comments or to provide additional information and input as you work to finalize the proposed regulations and the exemptions.

Very truly yours,

ADVISORS ASSET MANAGEMENT, INC.

By _____
John Webber, Chief Compliance Officer