



Leadership is our business

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July 23, 2015

The Honorable Thomas E. Perez  
Secretary of Labor  
Department of Labor  
200 Constitution Ave. NW  
Washington, D.C. 20210

Dear Secretary Perez:

On behalf of Associated Industries of Massachusetts and our 4,500 members, I am writing to express concern with the Department of Labor's (DOL) recent proposal to change the definition of fiduciary investment advice under the Employee Retirement Income Security Act of 1974 (ERISA). AIM believes the changes proposed are unnecessary, adding confusion and complexity to this vital area of employee benefits and the financial-services marketplace.

The proposed rule greatly expands the types of interactions with customers to be treated as investment advice. While the DOL proposes a new type of "principles-based" prohibited transaction exemption that grants relief to a financial-services provider that agrees to act in the best interest of its customer, this exemption falls short in that it does not apply to small businesses with participant-directed plans. Essentially, small plan sponsors cannot look either to advisers or record-keepers for assistance in structuring fund offerings. The current proposed rule will limit small businesses from receiving the help they need to establish and maintain a retirement plan.

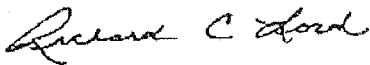
In addition, we are concerned that the rule will ultimately limit individual investors' ability to seek access to affordable financial planning services and resources - even if those services and resources are in the saver's best interest. Consequently, we request that, prior to the publication of a final rule, the DOL work with representatives of the business and financial services communities to produce a workable rule that protects savers without preventing businesses from continuing their long-established service models that help our citizens to plan and save for retirement.

We appreciate the challenge of finding balance between protecting consumers from unscrupulous actors and making sure they receive the necessary assistance in making important investment choices. The current DOL proposal, however, does not strike that balance and would do significant harm to individuals saving for retirement - particularly lower and middle income individuals who will find that they can no longer afford the investment help they have come to rely on.

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We thank you for your consideration of our concerns and look forward to working with you on this very important issue. If you have any questions regarding this letter, please contact John R. Regan, Executive Vice President for Government Affairs at 617-488-8311 or at [jregan@aimnet.org](mailto:jregan@aimnet.org).

Sincerely,



Richard C. Lord  
President & CEO

cc: U.S. Senator Elizabeth A. Warren  
U.S. Senator Edward J. Markey  
U.S. Representative Richard E. Neal  
U.S. Representative James P. McGovern  
U.S. Representative Niki D. Tsongas  
U.S. Representative Joseph P. Kennedy  
U.S. Representative Katherine M. Clark  
U.S. Representative Seth W. Moulton  
U.S. Representative Michael E. Capuano  
U.S. Representative Stephen F. Lynch  
U.S. Representative William R. Keating