

From: Victor Black <vlb@amaonline.com>
Sent: Tuesday, June 06, 2017 1:39 PM
To: Executive Secretariat
Subject: DOL Fiduciary Rule

Mr. Secretary,

I have been a life and annuity agent since 1984. Having been through many ups and downs in the industry and regulatory environment I would appreciate you considering my brief comments.

The new DOL Fiduciary Rule is, for plain old insurance agents such as myself a confusing and potentially business debilitating regulation. Under the new rules and revised PTE 84-24 it appears I may still be able to sell and service my clients, some of whom have had IRA annuities with me for as long as 30 years, and potential clients but under a standard I am not sure is attainable. What I'm saying is the new regs have significant unintended consequences.

For instance, I am not a captive agent, therefore I have the ability to offer fixed annuity products from a number of companies. Practically then how can I start a client meeting off with the presentation of a 84-24 disclosure which names the company and product I will use the fact that I will be paid a commission etc... when I have not begun to review the client's financials, goal/objectives etc...? This cart seems to be way in front of the horse! In the most stringent terms how can I be a fiduciary at all when I do not even have available to me the entire menu of investment options? With my clients we have overcome this in the past with having an additional advisor that is properly securities licensed. We still want to work together with our current and potential future clients offering them the best advice possible with both fixed insurance products and securities available. However we are not even sure that we can continue to work together since as an agent PTE 84-24 guides me but my associate may be under BICE.

As an independent agent my insurance companies are to a degree abandoning the independent agent by refusing to become sponsoring Financial Institutions. I have a hard time blaming them since the level of potential liability grows dramatically for them. As an agent though the new level of potential liability to which I may be now exposed could push me out of the qualified funds market place. It will likely cause others to leave the business or refuse to further service/advise their qualified account clients. What happens to the "orphan" contract holders? This will have a chilling effect on both the industry and the availability of insurance products for the consumer. Mr. Secretary I believe I am being given medicine for an ailment I do not have. In Amarillo, Texas we both know the community and are known it. My associates and I have lived in Amarillo all our lives, went to school together, raised our families here, attend church locally and advise, sell and service our products to hundreds upon hundreds of our neighbors, family members and friends; these folks know where we live! Our clients are not dumb, they have an ability to determine what is good for them and what they want. More "womb to tomb" regulation is I think insulting and debilitating.

It is my hope that further revision or even better repeal of the DOL Fiduciary rule will be forthcoming. We are and will be doing our best to comply but frankly, no one really knows what that entails. The theory is wonderful and gives us all warm feelings, reality slaps us in the face every morning. The reality of the new rule is both bewildering and damaging. At the risk of sounding arrogant Mr. Secretary I want you to know we are good agents, good registered reps and advisors. We love and appreciate our folks and are with them all the way from their first accounts to helping their heirs/beneficiaries with claims at death. Thank you for considering my note and for your service! We pray you have the wisdom to know exactly what needs to be done or undone.

Respectfully,

Victor L Black