

April 22, 2015

Office of Regulations and Interpretations  
Office of Exemption Determinations  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

**Re: RIN 1210–AB32 - Comment Period for Conflict of Interest Rule and Related Exemptions**

Ladies and Gentlemen:

The Investment Program Association requests a 45-day extension for the comment periods for the related proposals concerning fiduciary duties to employee benefit plans and Individual Retirement Account holders contained in the Department of Labor’s (“DOL”) proposed rulemakings published in the April 20, 2015 Federal Register.<sup>1</sup>

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<sup>1</sup> **PROPOSED RULES:**

DEFINITION OF THE TERM “FIDUCIARY”; CONFLICT OF INTEREST RULE-RETIREMENT INVESTMENT ADVICE, 80 FED. REG. 21927 (APRIL 20, 2015) [FR DOC# 2015-08831];

PROPOSED BEST INTEREST CONTRACT EXEMPTION, 80 FED. REG. 21960 (APRIL 20, 2015) [FR DOC# 2015-08832];

PROPOSED AMENDMENT TO PROHIBITED TRANSACTION EXEMPTION (PTE) 75-1, PART V, EXEMPTIONS FROM PROHIBITIONS RESPECTING CERTAIN CLASSES OF TRANSACTIONS INVOLVING EMPLOYEE BENEFIT PLANS AND CERTAIN BROKER-DEALERS, REPORTING DEALERS AND BANKS, 80 FED. REG. 22004 (APRIL 20, 2015) [FR DOC# 2015-08836];

PROPOSED AMENDMENTS TO CLASS EXEMPTIONS 75-1, 77-4, 80-83 AND 83-1; 80 FED. REG. 22035 (APRIL 20, 2015) [FR DOC# 2015-08839];

**PROHIBITED TRANSACTION EXEMPTIONS; PROPOSED AMENDMENTS AND PROPOSED PARTIAL REVOCATIONS:**

PROPOSED AMENDMENT TO AND PROPOSED PARTIAL REVOCATION OF PROHIBITED TRANSACTION EXEMPTION (PTE) 84-24 FOR CERTAIN TRANSACTIONS INVOLVING INSURANCE AGENTS AND BROKERS, PENSION CONSULTANTS, INSURANCE COMPANIES AND INVESTMENT COMPANY PRINCIPAL UNDERWRITERS, 80 FED. REG. 22010 (APRIL 20, 2015) [FR DOC# 2015-08837]

PROPOSED AMENDMENT TO AND PROPOSED PARTIAL REVOCATION OF PROHIBITED TRANSACTION EXEMPTION (PTE) 86-128 FOR SECURITIES TRANSACTIONS INVOLVING EMPLOYEE BENEFIT PLANS

The Investment Program Association, formed in 1985, represents diverse entities, interests and points of view which include leading sponsors from the direct investment industry. Participants in the direct investment industry generally include real estate, oil and natural gas, equipment leasing programs and managed futures funds. It also includes professional diversity in the areas of law, accounting, banking, broker dealers, and other financial services who share a commonality of interests in the direct investment industry. Members of the IPA have investments in all fifty states and around the world. The IPA supports individual investor access to a variety of asset classes not correlated to the traded markets and historically available only to institutional investors. These include public non-listed REITS, business development companies, energy and equipment leasing programs and private equity offerings.

The Proposal comprises an enormous amount of information and proposed changes to long settled regulations, encompassing four proposed rules, two proposals related to prohibited transaction exemptions and revocations and one related to class exemptions. If adopted, IRA advisers would be subject to increased legal exposure for violations of strict prudence requirements, and a host of detailed changes to existing and widely-used exemptions. The IPA requests that it and others who would be affected by the substantial newly proposed changes be provided adequate time to assess the effect of the proposals and assess the ability of its members to comply with the conditions of the exemptions. This will enable the IPA to most effectively provide the DOL with the insight it has requested into effects of its new proposal. The DOL will benefit from reasoned, well-considered and thorough comments on the changes rather than ones rushed as a result of a too short comment period.

The IPA and its members, along with others in the financial services industry appreciate that, in response to comments received on the predecessor proposal in October 2010,<sup>2</sup> the Department has spent considerable time and effort to incorporate into the Proposal an avenue for advisers and financial institutions to continue to provide services to retirement investors and receive compensation through commission-based arrangements. The IPA and its members are committed to providing thoughtful and well-informed comments on the current proposal. To do so, however, the DOL must provide sufficient time to allow the careful analysis that a proposal of this breadth and significance requires.

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AND BROKER-DEALERS; PROPOSED AMENDMENT TO AND PROPOSED PARTIAL REVOCATION OF PTE 75-1, EXEMPTIONS FROM PROHIBITIONS RESPECTING CERTAIN CLASSES OF TRANSACTIONS INVOLVING EMPLOYEE BENEFITS PLANS AND CERTAIN BROKER-DEALERS, REPORTING DEALERS AND BANKS, 80 FED. REG. 22021 (APRIL 20, 2015) [FR DOC# 2015-08838]

**PROPOSED CLASS EXEMPTIONS:**

PROPOSED CLASS EXEMPTION FOR PRINCIPAL TRANSACTIONS IN CERTAIN DEBT SECURITIES BETWEEN INVESTMENT ADVICE FIDUCIARIES AND EMPLOYEE BENEFIT PLANS AND IRAS, 80 FED. REG. 21989 (APRIL 20, 2015) [FR DOC# 2015-08833].

<sup>2</sup>DEPARTMENT OF LABOR, EMPLOYEE BENEFITS SECURITY ADMIN., Definition of the Term “Fiduciary, 75 Fed. Reg. 65263 (October 22, 2010).

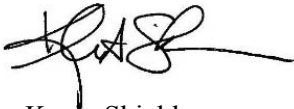
Simply put, the proposed 75-day comment period does not provide adequate time for the IPA and its members, as well as others in the financial services industry to provide well-considered comments on the proposal and its effect on them and their clients, in particular whether they can effectively service the needs of retirement investors within the framework presented in the Proposal. The DOL has been working on the Proposal since the withdrawal of the 2010 proposal, nearly four years. However, the Proposal only grants those impacted by the rule, the investing public and the financial services providers, less than three months to understand, research, analyze and provide comments to the DOL. This is an unreasonably short period of time given the scope and potential impact of the Proposal on retirement investors.

The history of the previous proposal supports our request for a longer comment period. The 2010 proposal was shorter and less complicated than the Proposal; it did not include any exemptions or amendment to existing exemptions; and it contained a significantly shorter economic analysis. Nevertheless, DOL not only provided an initial 90-day comment period but subsequently lengthened it by two additional weeks.

The IPA supported the DOL decision to ultimately allow a 104-day comment period for the 2010 proposal, as well as have a hearing and a post-hearing comment period in 2011. The much shorter comment period for this much more complicated proposal is a step in the wrong direction.

For these reasons, the IPA is requesting a 45-day extension of the comment period. If adopted, this proposal would represent a watershed event touching many facets of the financial services industry. A 120-day comment period will lead to the DOL receiving a better quality of comments, which in turn will lead to a more workable rule that would benefit all parties, including investors.

Respectfully submitted,



Kevin Shields  
Chairman, Investment Program Association