



March 17, 2017

**Via: Electronic Filing**

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Attn: Fiduciary Rule Examination  
RIN 1210-AB79  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

**Re: Proposed Delay in Applicability Date of Conflict of Interest Rule**

Dear Sir or Madam:

Managed Funds Association (“MFA”)<sup>1</sup> appreciates the opportunity to submit this response to the regulations proposed by the Department of Labor (“Department”) to delay the applicability date of the final rule on the definition of the term “fiduciary,” Conflict of Interest Rule--Retirement Investment Advice and the related prohibited transaction exemptions (the “Proposed Rule”). While we appreciate that the Department’s final rule addressed some of the concerns raised by MFA during the comment periods on the prior proposals, we remain concerned that the final rule may have unintended and adverse effects on the sophisticated ERISA plans and IRAs that elect to invest in privately-offered investment funds and on the fund managers and service providers to private investment funds, regardless of whether those funds are deemed to hold plan assets for purposes of ERISA.

In light of these remaining concerns with the final rule, as well as the February 3 Presidential Memorandum directing the Department to conduct a review of the impact of the final rule, we support the Department’s proposal to delay the applicability date by 60 days. MFA plans to submit

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<sup>1</sup> MFA represents the global alternative investment industry and its investors by advocating for sound industry practices and public policies that foster efficient, transparent and fair capital markets. MFA, based in Washington, DC, is an advocacy, education and communications organization established to enable hedge fund and managed futures firms in the alternative investment industry to participate in public policy discourse, share best practices and learn from peers, and communicate the industry’s contributions to the global economy. MFA members help pension plans, university endowments, charitable organizations, qualified individuals and other institutional investors to diversify their investments, manage risk and generate attractive returns. MFA has cultivated a global membership and actively engages with regulators and policy makers in Asia, Europe, the Americas, Australia and other regions where MFA members are market participants.

an additional comment letter on substantive issues in the final rule that we believe the Department should consider as part of that review, prior to the April 17 deadline. We further encourage the Department to consider whether additional delays in the applicability date are necessary to ensure the Department has sufficient time to fully consider the legal and policy implications of the comments it receives in response to the Proposed Rule.

MFA supports the proposed delay in the applicability date of the final rule to provide the Department an opportunity to review the final rule and determine whether there are better approaches to accomplish the Department's policy objectives without the unintended and adverse consequences that may result from application of the final rule. MFA looks forward to providing additional substantive comments on the Proposed Rule during the comment period. If you have any questions regarding any of these comments, or if we can provide further information, please do not hesitate to contact Benjamin Allensworth or the undersigned at (202) 730-2600, or at the following e-mail addresses: [ballensworth@managedfunds.org](mailto:ballensworth@managedfunds.org) and [skaswell@managedfunds.org](mailto:skaswell@managedfunds.org)

Respectfully submitted,

/s/ Stuart J. Kaswell

Stuart J. Kaswell  
Executive Vice President & Managing  
Director, General Counsel