

Morgan Lewis

LAWFLASH

DOL RELEASES FIRST WAVE OF FAQs ON FIDUCIARY RULE

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The guidance is the first of three waves of FAQs.

On October 27, the US Department of Labor (DOL) released a long-awaited frequently asked questions (FAQs) document regarding the fiduciary rule, as released on April 8, 2016 (the Rule), and related prohibited transaction exemptions (PTEs). The FAQs aim to answer 34 questions on the new exemptions, including the Best-Interest Contract Exemption, and amendments to existing exemptions, such as PTEs 75-1, 77-4, 80-83, 83-1, 84-24, and 86-128.

The DOL indicated that this is the first wave of FAQs that it will release about the Rule. Phyllis Borzi, the assistant secretary of labor at the DOL's Employee Benefits Security Administration, confirmed that the DOL is aiming to release three sets of FAQs in total, with the second wave coming "very soon."

Assistant Secretary Borzi asserted in a recent [blog post](#) that the FAQs are based on input that the DOL received from the financial services industry and others. She stated that the DOL hopes these FAQs will "head off misunderstandings that could lead to bad results for retirement savers, or financial services professionals."

Morgan Lewis is evaluating the FAQs and their impact on our clients and the industry.

We are continuing to closely follow this Rule's development and will provide updates as they occur. Catch up on our prior thought leadership covering the Rule to date:

- [The Final DOL Fiduciary Rule—Considerations for Plan Sponsors](#)
- [More DOL Final Fiduciary Rule Fallout: Some Potential IRS Pitfalls for IRA Custodians and Trustees \(Part 2 of 2\)](#)
- [More DOL Final Fiduciary Rule Fallout: Some Potential IRS Pitfalls for IRA Custodians and Trustees \(Part 1 of 2\)](#)
- [Final DOL Fiduciary Rule—First Impressions](#)
- [DOL Sends Fiduciary Rule to OMB for Review](#)
- [Any Congressional Action on Proposed DOL Fiduciary Rule Postponed to 2016](#)
- [Threshold Issues Raised by DOL's Proposed Fiduciary Rule](#)

- › DOL's Proposal to Expand Fiduciary Definition Would Bring Many Service Providers into Scope
- › DOL Fiduciary Rule to Revamp Regulation of Advice to Plans and IRAs
- › DOL Sends Proposed Conflict of Interest Rule to OMB for Review

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