



PRESIDENT'S PAGE

Our New Reality: The Post-DOL Fiduciary Rule Era

By ROBERT A. KERZNER, CLU, ChFC

President and Chief Executive Office, LIMRA, LOMA, and LL Global, Inc.

By the time you read this, it is likely the final DOL fiduciary rule will have been published. We know this is a transformational event for our members and the industry, and we want to help you respond to this new reality.

How can your trade association provide support? LIMRA was established 100 years ago to help industry leaders identify best practices, offering forums for discussion where experts weighed in on the critical issues facing our members. We continue this practice today through our study groups, committees, and conferences.

Over the next several months, LIMRA will host a number of expert forums and create special committees around this topic. They will allow the right people in your companies to come together and discuss how best to solve the challenges created by the DOL fiduciary rule.

On May 3, adjacent to the 2016 Retirement Industry Conference, we are hosting a summit that will provide an opportunity to listen to industry experts and network with other executives facing the same challenges. We hope this meeting spurs discussion and innovative thinking. It also will help us better understand how we can best assist you and where we might be able to create solutions to specific problems.

LIMRA has often served as a utility for the industry when a significant compliance challenge required a common solution for many companies. Collaborating with our members, LIMRA was able to develop the CAP program, which demonstrated and tracked customers' understanding of the life insurance they purchased. We also developed anti-money-laundering training, allowing producers to take one exam for the many companies they represented. Not only were these programs cost-effective for members, but regulators also accepted them as best practices.

In this new reality, might there be new things carriers will need to track? Would it be valuable to benchmark your results against other companies? Would this information and documentation provide an enhanced level of

legal protection? We will be exploring these questions through many of our committees and working groups.

At our core, LIMRA is about research. We are launching a variety of research projects that will provide actionable information, including a survey tracking how companies plan to adapt to requirements around the DOL rule. We will get very specific data, allowing you to compare what you are doing to what others are doing.

The DOL fiduciary rule also will require training and educating your teams to ensure your company is protected. We are creating a range of training programs to meet different needs:

- A basic, high-level program for a large audience of home office employees. This would provide the fundamentals, so all employees are familiar with the new rule and how it might affect your company.
- A series of more in-depth courses for those whose jobs will be specifically affected by the new requirements at the home office.
- Producer-specific educational modules on basic and more complex issues around this new rule, such as "Avoiding Becoming a Fiduciary Unintentionally." These courses will be on a platform like our AML program, so you track and demonstrate adherence to best practices.

We have established a one-stop, user-friendly microsite (www.limra.com/DOLmicrosite) offering the latest news and insights on the final DOL rule. As we publish research and issue papers, develop training, and announce events, we will include them here. There also will be a section highlighting vendors that are providing related industry solutions.

Above all, please think LIMRA first when you are seeking a solution to a specific issue around this new fiduciary rule or any other industry challenge you face. We have been your trusted partner for 100 years, and we are working hard to stay relevant and valuable to you for many more years to come. 🌐