DOL Announces Enforcement Relief from Fiduciary Rule

March 22, 2017

The U.S Department of Labor ("***DOL***") recently published Field Assistance Bulletin 2017-01 ("***FAB 2017-01***"), in which it announced a temporary policy for enforcement of its new fiduciary duty rule and related exemptions (the "***Fiduciary Rule***"). On March 2, 2017, the DOL proposed regulations to delay the effective date of the Fiduciary Rule from April 10, 2017 to June 9, 2017. In response to concerns expressed by financial service institutions that uncertainty about whether the effective date of the Fiduciary Rule will actually be delayed could result in investor confusion and marketplace disruption, the DOL indicated in FAB 2017-01 that (1) in the event that it issues a final rule after April 10, 2017 to delay the effective date of the Fiduciary Rule, it will not initiate an enforcement action based on non-compliance with the rule during the "gap" period between April 10, 2017 and the date that the delay is implemented, and (2) if the DOL decides not to delay the effective date of the Fiduciary Rule, it will not initiate an enforcement action based on non-compliance that occurred between April 10, 2017 and a "reasonable" period after publication of a decision not to delay the April 10, 2017 effective date. **View FAB 2017-01.**