The Department of Labor Issues Final Fiduciary Rules

On April 6, 2016, after more than five years of anticipation, the Department of Labor (DOL) issued the final fiduciary rule and related guidance. The final fiduciary rule amends and expands the definition of a fiduciary that provides "investment advice" to reflect changes in the financial industry and the state of investment advice as it exists today, reports **Sherman & Howard LLC**.

"The final rule focuses on 'conflicts of interest,' and serves to sweep in a large number of investment advisers who were not previously treated as fiduciaries under the Employee Retirement Income Security Act of 1974 (ERISA). To temper the scope and impact of the final rule, the DOL also issued two new prohibited transaction exemptions (along with certain amendments to existing exemptions)," the report says.

in the article, the firm offers guidance intended to address concerns of these investment advisers with respect to certain prohibited transactions under ERISA and the Internal Revenue Code, while still protecting retirement plans and participants.

Read the article.