

It's in your best interest

U.S. Department of Labor Fiduciary Rule

What is the Fiduciary Rule?

Effective June 9, 2017 the U.S. Department of Labor (DOL) began holding financial professionals who provide advice or recommendations to clients involving tax-advantaged retirement dollars (e.g., 401(k) or individual retirement accounts (IRA)) to a “fiduciary” standard of client care.

The new rule is intended to ensure that financial professionals adhere to the “best interest” standard of conduct when making recommendations. Additional changes may become effective in January 2018 when the DOL expects to complete its review of the new law.

What is the “best interest” standard of conduct?

Fiduciaries are required to make a recommendation in their client’s best interest. Our recommendation for your retirement accounts will take in to consideration your objectives, risk tolerance, financial circumstances and needs.

Isn't my financial professional already a fiduciary?

Some are. For example, if you work with a financial planner (i.e., someone who charges a fee for a financial plan); or if your financial professional works through the MML Investors Services, LLC Corporate Registered Investment Advisor (CRIA) platform, then he or she is already a fiduciary with respect to your managed account with MML Investors Services, LLC. In that case, the new Fiduciary Rule will simply broaden their responsibilities.



What does “fiduciary advice” mean?

The new Fiduciary Rule treats investment and product recommendations made to retirement plans, plan participants and IRA investors as fiduciary advice. This includes recommendations on distributions or rolling-over assets. Providing advice or recommendations on using qualified money to purchase a specific mutual fund or variable annuity in an IRA is another example of fiduciary advice.

Will the Fiduciary Rule change the way my financial professional is compensated?

In some cases, the compensation that your financial professional receives will change due to DOL Fiduciary Rule requirements. In addition, you will see greater transparency about fees and commissions for some of your retirement accounts.

Can I continue to work with my current financial professional?

Yes! Open communication, a sense of trust and the ability to adapt to changing circumstances are essential in any relationship. You may feel more comfortable about planning for a successful future, knowing that the retirement account recommendations you receive from your financial professional are firmly grounded in your best interest.

If we are not able to make a recommendation with respect to certain aspects of your retirement accounts, we can still provide information and education to assist you.

Is there anything I need to do?

MassMutual is complying with all DOL requirements. Depending on the type of account you have with MassMutual, you may receive mailings periodically over the next few months. Mailings will provide clear directions if your action is required.

As we approach the January 1, 2018 date, we will keep you informed of any further changes.

MassMutual remains committed to earning your trust

During its 160-year history, MassMutual has demonstrated its commitment to helping customers secure their future and protect the ones they love. That commitment remains the guiding principle behind everything that we do and every decision that we make.

You can have confidence that you will continue to receive the product and service excellence you've come to expect from MassMutual.

