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"Protecting American Savers and Retirees From DOL's Regulatory Overreach"

Testimony for the Record

of

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Introduction

Thank you for allowing me to testify on the Department of Labor Retirement Security Rule. I have first-hand, real-world experience with the devastation that happens when advisors are not held to a fiduciary standard. I am the founder of Peiffer Wolf Carr Kane Conway & Wise, LLP. I am also the President of PIABA – the Public Investors Advocate Bar Association. PIABA is an international bar association comprised of attorneys who represent investors in securities litigation. Since its formation in 1990, PIABA has promoted the interests of the public investor in all securities and commodities arbitration forums, while also advocating for public education regarding investment fraud and industry misconduct. I have represented thousands of investors in my career, and the members of PIABA have collectively represented hundreds of thousands of investors.

At the beginning of my career, I represented hundreds of Exxon retirees. We tried a very long, hard fought case for 32 of these retirees. They were all chemical and refinery plant workers. Good, solid men and women, who were hard-working, remarkable Americans. They were told by the advisor that they should retire early, roll their 401(k) accounts over to the advisor's care, and that they could withdraw 10-14% of their money every year with nothing to worry about. The advisor encouraged the Exxon retirees to go enjoy their retirement and let him worry about the details of their accounts. Unfortunately, the advisor put them into high-cost insurance and mutual fund products that paid him on average about $50,000 on the day these folks agreed to give him their retirement money.

Within just a couple of years of their retirement, due to their advisor's conflicted advice, these retirees were out of money. Their nest egg was cracked open by their advisor for commissions leaving them with nothing. One of them, who gave up his $80,000 a year job at the plant because the advisor told him he had "more than enough money to retire," ran out of money and was stocking vending machines at that same plant for $10 an hour. Several of them attempted suicide. Almost all of them contemplated it.

I got to know these folks very well because several of them did not have gas money to drive the three hours round trip to the trial against the advisor and his firm. So, on a rotating basis, around a dozen of them stayed with me in my 1,000 square foot apartment. I would come home from the office around 11:00 each night and these folks would be up – usually recapping what happened that day at trial. We'd have a beer and talk about life, their kids, and I'd listen to them beat themselves up for trusting someone that they thought was a professional like a doctor or a lawyer. But, in the trial of the case, the advisor and his firm said he just had the duty of a salesman. And, I would hear them contemplate how their advisor could take advantage of them and evaporate thirty years of hard work and savings. They felt like failures to themselves and to their families.

The fact of the matter is that these folks did the right thing. They went to an advisor, who held himself out as an expert and told them that he had their best interest at heart. Their advisor did not. And when called to account for his behavior, their advisor argued he had no duty to put their interest in a long and happy retirement ahead of his interest in making huge commissions.

Department of Labor Retirement Security Rule ("DOL Rule") would settle the duty that advisors have when dealing with retirement money. Retiring and investing your nest egg is the most important financial decision that anyone will make. Retirees and potential retirees deserve nothing less than a rule that requires advisors to give unconflicted advice. Most retirees put their families and their future first when they forwent vacations, new cars and dining out so that they could save money for retirement. These retirees deserve to have their retirement funds and best interest put first by their chosen advisor.

The Scope of the Conflicted-Advice Problem is Huge and Getting Bigger

The numbers surrounding this problem are so big that it is hard to get your mind around. According to the Obama Era Council of Economic Advisers, conflicted advice costs retirement savers at least $17 billion per year.[1]

In 1975, 27.2 million people participated in defined benefit plans and 11.2 million in defined contribution plans (the latter being the category 401(k)s fall into); by 2019 those figures had changed to 12.6 million and 85.5 million, respectively.[2] With the drastic decline of traditional pensions and the rise of 401(k)'s, most people do not have a monthly pension check to rely on. Instead, they are forced to either learn to manage their nest egg on their own or get management advice. Indeed, investors are anticipated to move $4.5 trillion from such plans into IRAs in the next 3-4 years.[3] As of now, this problem is made worse because without the DOL Rule in effect, advice to 401(k) sponsors and advice regarding the sales of fixed-indexed annuities is typically not held to a fiduciary standard.[4]

These costs are particularly acute when retirees roll over their employer 401(k) plan to an individual retirement account ("IRA") because advice related to one-time rollovers is exempt from ERISA's fiduciary obligations. This problem is compounded by the fact that advice to 401(k) sponsors and advice regarding the sale of fixed-indexed annuities and certain other non-securities is also not covered by ERISA's protections. Retirement savers will have an improved quality of life as a result of the savings they will gain from the loopholes the Rule closes related to conflicted advice.[5]

The numbers are almost so big that it tends to boggle the mind. But, let me put it to you this way: the difference between getting conflicted retirement advice and receiving advice in the investor's interest is sometimes the difference between the retiree being able to visit their grandkids or not, the difference between being able to afford a retirement home close to their children or living with them, or the difference between being able to retire in their 60s or having to wait until their 70s to retire. Other times, as will be detailed below, it is the difference between being able to live out their golden years with dignity knowing that their hard work and savings paid off or being shattered by the reality that by trusting their advisor, who gave conflicted advice, and left them with nothing to show for thirty or forty years of hard work and savings.

How the DOL Rule Helps Mainstreet Investors

As it stands, financial advisors who sell would-be retirees on either liquidating or rolling over their 401(k)s into complex financial products are not always held to a fiduciary standard.[6] In

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[1] Council of Economic Advisors, Report on the Effects of Conflicted Investment Advice on Retirement Savings (Feb. 2015)
[2] *Id*.
[3] *Id.* at 11.
[4] *Id*. at 3, 11.
[5] *Id*. at 10.
[6] CFP Board, Letter to DOL Assistant Secretary Gomez re: DOL's Retirement Security Rule (Jan. 2, 2024), at 4.

other words, advisors do not have to always put investors' interest in having enough money to live a long and happy retirement ahead of their interest in making a huge payday.

The DOL Rule would put investors' interest first by requiring advice on the roll-over or liquidation of a 401(k) to be up to ERISA standards, which is a fiduciary standard. This change is long overdue. When ERISA was enacted in 1974, 401(k)s did not even exist; most Americans had defined benefit plans like pensions, which are afforded strong ERISA protections.[7]

Morningstar identified rollovers to fixed-indexed annuities as an area where the DOL Rule was likely to yield large benefits to investors, estimating that "the proposed rule would save retirement investors approximately $3.25 billion per year, with a low-end estimate of $1.77 billion and a high-end estimate of $3.84 billion per year" based on its analysis of the benefits with respect to this single category of investment. Accordingly, it estimated, on an undiscounted basis, that these retirement investors would save over $32.5 billion in the first 10 years, were the rule finalized.[8]

The DOL Rule doesn't just help investors. It also helps ethical advisors. In fact, I believe that most advisors are ethical, good people that try to do right by their clients. I use a financial advisor. My best friend is a financial advisor. This rule would help ethical advisors by clarifying that investors need to always come first.

This problem is getting bigger. The investment advice fiduciary definition was previously drafted to only apply to advice given on a "regular basis," which does not account for current trends in which many people seek one-time advice to receive guidance on how to roll over a 401(k) into an IRA or annuities.[9] As the AARP says the decision to roll over a 401(k) is "often the single most important financial decision a plan participant makes, involving a lifetime of retirement savings and the fact [is] that these recommendations carry with them an inherent conflict of interest."[10] The DOL Rule closes this loophole.

Retirees in Every State and District Have Been Harmed by Conflicted Advice

Behind the huge numbers illustrating the problem are real people, who have been severely impacted by the current lack of a fiduciary requirement. These people exist throughout the United States, in every state, and in every congressional district. I have gathered some examples below. Some of these folks were represented by my office and others were represented by PIABA members. All of these individuals would have benefited from a strong fiduciary duty being imposed on advisors who give guidance on 401(k) rollovers or liquidation.

First, I'd like to talk about a group of approximately hundreds of investors across the country that myself along with Rikard & Protopapis represented. Our clients lived in in California, Utah, Illinois, Missouri, Kansas, Texas, South Carolina, North Carolina, Louisiana, Florida, Ohio, Arizona and Idaho. But, these investors exist all over the country.

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[7] *Id*. at 3.
[8] Morningstar, Letter to DOL Assistant Secretary Gomez re: DOL's Retirement Security Rule (Jan. 2, 2024).
[9] AARP, Letter to DOL Assistant Secretary Liza M. Gomez re: Proposed Retirement Security Rule (Jan. 2, 2024), at 6.
[10] *Id*.

These investors, the vast majority of whom were either retired or in their 60s, were told they should undergo an "IRA Reboot" that would "turbocharge their IRA" or "turbocharge their 401(k)" by liquidating their retirement account and purchasing a complex insurance product along with premium financing. Many of our Utah clients were also advised that in addition to liquidating their 401(k)s, they should mortgage their homes. They were lured in by "seminars" that purported to give objective, fiduciary advice, but in reality, were just sales sessions used by these advisors, sometimes called "Wealth Architects," to line their pockets with huge commissions. It is telling that while the marketing material to my clients talked about "turbocharging their 401(k)s" the marketing material aimed at the advisors talked about "turbocharging [the agent's] commission."

The impact on these hard-working people was severe. Many were forced to go back to work, cut back on necessities, lost their homes or worse. All suffered a loss of dignity and trust. I have attached a small sample of the impact on some these clients in their own words as **Exhibit "A"** to this testimony.

Another example is Virginia retiree, represented by one of our PIABA members, who met her "financial advisor" at a free seminar. The advisor convinced this retiree to rollover her government retirement plan into several fixed annuity products. These products paid a large commission to the advisor, but ultimately the retiree lost her entire life savings through the advisor's malfeasance. She has even had to mortgage her house to pay the tax bill resulting from the advisor's advice to withdraw her retirement savings. And, despite having very serious health problems, she's back to work to try to pay her bills.

Or take a husband and wife in California, who lost nearly all of their retirement money to conflicted advice from their insurance agent who claims he owed them no fiduciary duty. The husband spent his life as an aerospace mechanic and served in the national guard. He retired at the age of 64. His wife worked as an administrative secretary until she became disabled. The husband had managed to save a little over $500,000 in his 401(k). He met the advisor through their church pastor and the advisor convinced him that he had more than enough money to retire earlier than he had planned. He claimed he would put their interests first and take care of them. Instead, he bought high-risk products that paid the agent handsomely but left this couple without enough money to fund their retirement.

Another California couple that fell victim to conflicted advice were born in Philippines but emigrated to the United States to work as nurses. After a long career, the husband became disabled. The vast majority of his life savings was in his retirement accounts, which his advisor invested in complex insurance products among other things that paid the advisor big commission but left the retiree without enough money to have the retirement he was promised.

Finally, Sally, a California woman who was approaching retirement age when she was convinced by an "investment seminar" to invest in a precious metals program. Her "advisor" convinced her to liquidate her 401(k) and roll that money into a leveraged precious metals program with promises that her money would grow. Two years after investing, Sally lost everything having paid almost nearly as much as she invested in commissions and costs. She has lost her house and is back to work in her 70s. The advisor, relying on boilerplate disclosures, says they don't owe

Sally any duty let alone a fiduciary duty. In fact, relying on these disclosures, the advisor claims that the duties owed to Sally are more akin to a pawn shop owner than a fiduciary.

These are just a few examples that I have been able to gather over the past few weeks. Without the DOL Rule this problem will continue to grow.

The DOL Rule Brings Regulation into Line with Investor Expectations

All of my clients over my nearly 25 years of experience, like nearly all investors, thought that their advisors were their fiduciaries. This is not unusual. According to the Certified Financial Planner Board of Standards ("CFP Board"), a nonprofit organization that sets and upholds standards for financial planners, investors now overwhelmingly expect that financial professionals always provide them advice in the investors' best interests.[11] Several studies that illustrate this trend; for example, the Center for Capital Markets Competitiveness indicated 97% of investors already believed their financial professionals had their best interests in mind, and a recent AARP study revealed 89% of investors over the age of 50 felt the same.[12]

Investors' beliefs that their financial professional have their best interest in mind is due at least in part to these advisors and their trade associations marketing that way. Investment professionals routinely use titles, such as "financial advisors," "financial consultants," or "wealth managers," or even "wealth architects." I have never heard a financial professional refer to themselves simply as a salesman.

Here is a sample of what investment professionals, firms and their trade associations say now to position themselves as providing advice that is in investors' best interest:

- In a blog on the National Association of Insurance and Financial Advisors (NAIFA's) website by NAIFA's marketing partner, titled "4 Strategies Financial Advisors Use to Build Trust," it states, "Consider just how much trust someone needs to have in their financial advisor to give them continuous access to, and nearly complete control of, their life's savings, their retirement income, and their future security and dreams. That degree of trust ranks right up there with entrusting your life to a surgeon, your children's wellbeing to a nanny, and your heart to your spouse."[13] Among its recommendations, the blog suggests, "Beyond knowing their financial goals, trusted advisors take the time to get to know their clients on a more intimate level. They get to know their clients' likes and dislikes, hobbies, hot button issues, families, and history."[14]

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[11] CFP Board, Letter to DOL Assistant Secretary Gomez re: DOL's Retirement Security Rule (Jan. 2, 2024).

[12] *Id*. at 2, citing Working with Financial Professionals: Opinions of American Investors, Center for Capital Markets Competitiveness (2018) (available at https://www.centerforcapitalmarkets.com/wp-content/uploads/2018/04/CCMC_InvestorPolling_v5-1.pdf and AARP Research, "Unbiased Financial Advice about Retirement: Importance to Adults 50+," (Jan. 2024) (available at https://www.aarp.org/pri/topics/work-finances-retirement/financial-security-retirement/fiduciary-duty-retirement/)

[13] Luke Acree, *4 Strategies Financial Advisors Use to Build Trust*, NAIFA (December 27, 2021), https://bit.ly/48T2Lu3.

[14] *Id.*

- Redbird Advisors, an insurance marketing services company, states in the "Ultimate Guide to Selling Fixed Annuities," "The idea is when you're in a meeting and the fact-finding process starts, your main objective is getting to a place of trust as soon as possible. People want to do business with people they like and trust."[15]

- The Insurance Pro Shop, which provides marketing and sales training to insurance agents, runs a "Trusted Advisor Success Training Workshop" showing insurance agents how they "can have endless streams of new, repeat, and referral business" by "mak[ing] the move from a salesperson to a 'Trusted Advisor!' So that you are the one person that people will want to see!"[16]

- Commenting on a survey F&G conducted to learn how Americans over 50 are thinking about their retirement realities, F&G's president and CEO stated on their website that, "Leveraging the expertise of a trusted financial advisor can often make people more confident and better equipped to navigate the challenges of retirement planning with conviction and clarity."[17]

- The senior vice president at Nationwide Annuity Distribution recently wrote a blog about common misconceptions about annuities, stating, "It's healthy for clients to have questions, concerns or even reservations about costs, flexibility or the type of annuity that may best fit their needs. However, as their trusted advisor, you can work with them to address misperceptions they may bring to the table with facts, options and a clear understanding of your client's specific retirement goals."[18]

- In another blog, the senior vice president of individual annuities at The Standard stated that, "Many clients think of the new year as a time to evaluate and expand their financial portfolio, and even more clients are looking for a safe and effective way to protect their money and help it grow. This means you, their trusted advisor, may be asked to help them rethink their financial plans."[19]

- A company that offers continuing education courses for insurance professionals states on its website titled "Selling Annuities: The Key to Unlocking Success," that "By offering annuities, you position yourself as a trusted advisor in the realm of retirement planning, ensuring your clients' long-term financial security and peace of mind."[20]

- On its website touting the benefits of working with an investment professional, Brighthouse provides the following analogy: "As doctors help take care of physical health, good

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[15] Drew Gurley, *Ultimate Guide to Selling Fixed Annuities*, Redbird Advisors (January 4, 2022), https://bit.ly/3vq484D.

[16] Insurance Pro Shop, *The Best Life Insurance and Annuity Trusted Advisor Success Training Workshop* (2023), https://bit.ly/3tzPdEB.

[17] F&G Annuities & Life, *Retirement Reconsidered* (2023), https://bit.ly/4aGBFbg.

[18] Rona Guymon, *Common Misconceptions About Annuities*, FA Mag (December 11, 2023), https://bit.ly/3vjYGR2.

[19] Chris Conklin, *New Year, New Annuity Options For Your Clients*, InsuranceNewsNet (December 26, 2018), https://bit.ly/3S0ITzt.

[20] SuccessCE, *Selling Annuities: The Key to Unlocking Success* (May 10, 2023), https://bit.ly/3RJkIUy.

financial professionals help take care of financial health. Just as you consult a doctor for a range of health questions, you can work with a financial professional on a host of different options regarding your plans for retirement."[21]

- On New York Life's homepage, the company states, "Working with us means never having to make financial decisions alone." We connect you with an agent in your community– someone who understands your needs and priorities. Together, you'll find the right approach to protect your family and help them prosper."[22] On the company's "About Us" page, it states: "Putting your needs first…focused on fulfilling our promises and doing what's best for policy owners, not on delivering profits for others."[23] On the company's annuities page, it states that, "by working with a trusted financial professional, you can discuss your unique circumstances and how best to prepare for the challenges that may lie ahead."[24] On the company's "Find a New York Life Agent" page, it touts the benefits of working with a New York Life professional, stating that the company provides "One-on-one guidance customized to your needs and goals."[25]

- A few years ago, NAIFA launched a consumer advertising campaign called "Trust a NAIFA Advisor," and their website carried the heading "Advisors You Can Trust."[26] The homepage of the website featured the following statement in large capital letters and bold font: "TRUST YOUR FUTURE WITH A NAIFA ADVISOR."[27] There was a video advertisement on the website, with voiceover stating: "Contact a NAIFA member for advice you can trust. NAIFA members adhere to a code of ethics that is about honesty and integrity. They're committed to working with you and guiding you with a financial plan that will lead you to a secure future and a retirement you'll enjoy."[28]

Yet, when we attempt to make advisors account for the advice that investors liquidate or roll over their retirement accounts, the advisors and the companies they work for claimed that these advisors owed these investors no duty for the advice. The DOL Rule would simply bring the legal standard up to the standard that nearly all investors expect when dealing with a financial professional in their retirement account.

The DOL Rule will Close the Disclaimer Loophole

Under ERISA's current fiduciary definition, an adviser qualifies as a fiduciary so long as there is a "mutual agreement, arrangement, or understanding" that the advice will serve as the "primary basis" for the investment decision. As a result, many firms have historically evaded this definition by including a fine-print disclaimer stating the investor should not rely on the firm's advice as the

[21] Brighthouse Financial, *5 Ways to Help Improve Your Financial Health* (November 5, 2019), https://bit.ly/41HogeX.
[22] New York Life, *Trusted Guidance and Protection: New York Life Insurance*, https://bit.ly/3RC2jt3 (last visited December 29, 2023).
[23] New York Life, *About New York Life*, https://bit.ly/3vdVdDj (last visited December 29, 2023).
[24] New York Life, *Financial Risks in Retirement*, https://bit.ly/3twFUFx (last visited December 29, 2023).
[25] New York Life, *Find a New York Life Agent*, https://bit.ly/3RFQNwD (last visited December 29, 2023).
[26] *See* Micah Hauptman & Barbara Roper, Consumer Federation of America, *Financial Advisor or Investment Salesperson? Brokers and Insurers Want to Have it Both Ways* at 13 (January 18, 2017), http://bit.ly/2jKUbFD.
[27] *Id*.
[28] *Id*.

primary basis for their decision despite the implication that the effect of the advice is to induce reliance.[29] The DOL Rule will significantly limit the impact of fine-print disclaimers by preventing them from automatically controlling an investment advice fiduciary's status where it is inconsistent with the investor's oral communications or interactions with the financial professional.[30]

Small Savers will be Helped, not Harmed, by The DOL Rule

Fundamentally, the argument that small savers will be harmed by the implementation of the DOL Rule is flawed. At heart, this argument is saying that if advisors cannot give small savers conflicted advice that pays them outsized commissions then these advisors will simply refuse to provide advice to these investors at all. Putting aside whether these small savers would actually be better with no advice than with conflicted advice, there is no persuasive evidence that other regulatory regimes requiring a fiduciary standard for financial professionals have meaningfully reduced retirement savers' ability to obtain quality, affordable financial advice.[31]

This is best illustrated by the market reaction to the 2016 conflict of interest rulemaking. It differed from what had been expected by industry-generated white papers created in opposition to the 2016 rule's development and implementation. In a survey conducted in September 2017, 82% of broker-dealers had not made changes to their handling of smaller, retail retirement accounts.[32] In examining the effects of the 2016 final rule, another survey found that while variable annuity sales had decreased, there is no evidence that the change affected investors with less wealth more than others.[33]

The DOL Rule Provides Investors Protection that Reg BI does not.

First, the SEC's Reg. BI does not apply to advice to purchase anything other than securities. This excludes investments such as certain insurance products, bank products, commodities, real estate and cryptocurrency. These are large and emerging areas of investments that are still subject to conflicted advice without the DOL Rule.

Second, Reg. BI does not cover advice to retirement plan sponsors such as small employers. According to Reg. BI's adopting release, workplace retirement plans or their representatives and service providers generally would fall outside this definition.[34]

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[29] AARP, Letter to DOL Assistant Secretary Liza M. Gomez re: Proposed Retirement Security Rule (Jan. 2, 2024), at 7.
[30] *Id*. at 8.
[31] Better Markets, Comment Letter Submitted Re: DOL Retirement Security Rule (Jan. 2, 2023), at 4.
[32] *See* International Financial Law Review survey (October 2017).
[33] *See* Mark Egan, Shan Ge, Johnny Tang, Conflicting Interests and the Effect of Fiduciary Duty: Evidence from Variable Annuities, The Review of Financial Studies, Volume 35, Issue 12, December 2022, Pages 5334–5386.
[34] *See* U.S. Securities & Exchange Commission, *Regulation Best Interest: The Broker-Dealer Standard of Conduct* at 33344 ("The Commission does not believe that workplace retirement plans or their representatives and service providers generally fall within the definition of retail customer for purposes of Regulation Best Interest because the workplace retirement plan is not a natural person, and therefore the workplace retirement plan representatives are not a non-professional representative of a natural person that is receiving a recommendation directly from a broker-dealer for 'personal, family, or household purposes.'").

This creates a strange and uneven regulatory environment, where retail investors, who only have their investments to consider, receive stronger protections than retirement plan sponsors, who are choosing investments for all their employees.

In some cases, the retail investor and plan sponsor could be the same person, dealing with the same investment professional. For example, if Sarah, a small business employer, seeks recommendations from Barry, who works for a broker-dealer, about the menu of mutual fund options to offer her employees in her company's 401(k), those recommendations would not receive Reg. BI's protections. As a result, Barry could recommend that Sarah include high-cost, low-quality funds that maximize Barry's and his firm's revenue. In that same conversation, if Sarah asked Barry for recommendations on what options she should personally invest in, those recommendations would receive Reg. BI's protections. In my experience, these distinctions are lost on nearly all small business owners.

The NAIC Standard is Best Interest in Name Only

The NAIC Model Rule states that an insurance professional "has met" their best interest obligation if they satisfy four component obligations, none of which includes an explicit requirement to act in the consumer's best interest. The key standard they have to meet, "having a reasonable basis to believe the recommended option effectively addresses the consumer's financial situation, insurance needs, and financial objectives," is largely a restatement of the previous suitability rule. That's not a true best interest standard.

Indeed, the NAIC Model Rule excludes a huge source of conflicts – the advisor's commissions and other non-cash compensation – from its definition of conflicts of interest. This makes for a strange, fractured environment for investment advice that no investor I've met understands. Under this rule, securities such as variable annuities are regulated by Reg. BI, but fixed indexed annuities, alternative investment products and other insurance products are just subject to the weaker NAIC Model Rule.

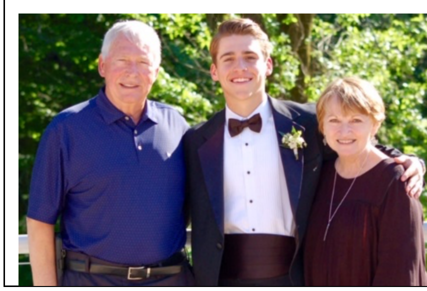
Additionally, only not all states have adopted the NAIC Model Rule. And, even in the states that have adopted this rule it does not cover annuity recommendations in 401(k)s and therefore plan sponsors, and therefore, investors in these plans, do not qualify for protection under this rule.

Conclusion

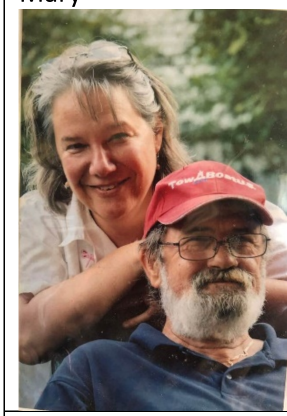
I appreciate the opportunity to talk to the Subcommittee about this important issue and urge the DOL to promptly finalize this rule so that workers and retirees across the country get the fiduciary advice that they deserve and believe they are already getting. This rule cannot prevent the harm that has already been done to investors from conflicted advice. However, it can and should stop the immense amount of future harm that is coming as millions of Americans move into retirement and contemplate how to invest their 401(k)s.

FULL NAME	How has this loss affected your retirement plan?
Dolores 	I invested approximately one third of my retirement IRA funds into this investment. Because I have had cancer, I am not able to purchase my own life insurance. This policy was recommended to me by my my advisor because it could be purchased for my children and it would provide both life insurance and an option to take the funds as supplemental income when they reached retirement age. My goal was to leave something enduring for my children, and I have no other funds to use now to accomplish that goal. I did not understand that these funds were going to be used for anything else other than paying premiums for Minnesota Life. I asked about the role of Gold Star and was told they were the "holding" company and would keep the funds in interest-earning accounts and would manage the funds and payments to Minnesota Life for four years or until the funds were gone. My advisor needs to be held accountable for his role in these losses. He misrepresented the policies that were sold to me.
John 	COMPLETELY DEVASTATED! Currently have only pension and social security. Just enough to pay bills and have a "little" fun. We were planning on the dollars from this investment which My advisor predicted would be $2,000 to $3,000 per month. That was to be a substantial amount of dollars to add to our small income. During retirement, our plans were to travel, visit out-of-state friends and family which now must be cut out. The only time these things can be done is in extreme emergencies. Living on such a reduced income, has totally eliminated our retirement expectations. Even going out to dinner is now something that must be budgeted and done very infrequently. Our saving during our younger years with four children was difficult to say the least. To have someone rob us of our future is something no one ever plans for. When we learned of this robbery, our feelings cannot be fully expressed. Physically it has affected our nightly loss of sleep; ALWAYS on our mind whenever financial responsibilities come into day to day life; worry over how to finance if large financial responsibility pops up (i.e. new car needed/repairs to car/home repair needed). Getting up in years, we also worry about medical responsibilities. We currently are in good health but that is not to say how we could financially cope with

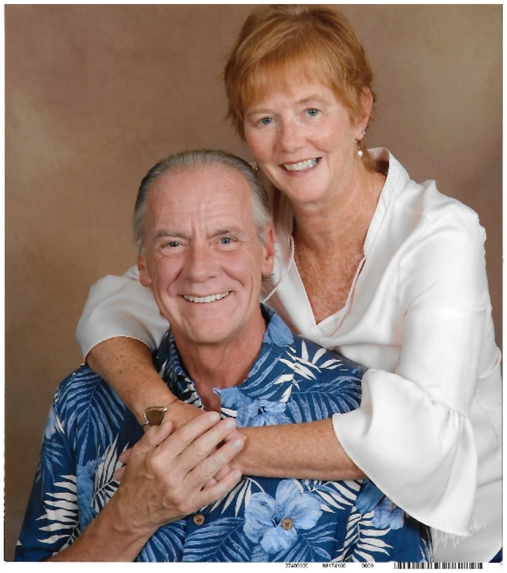
	large medical/dental bills if need would arise. There just are no extra dollars to provide for unexpected expenses. That is what our "retirement" funds were to take care of. Since we can basically kiss that good buy, our financial future looks bleak. We anticipate these feelings of despair will grow as we age. Since we cannot depend on our social security to increase, our finances can and will only go backwards.
Michael 	The bogus Pac Life accounts will set me back quite a few years unless money is recovered. Right now, I have $181,000 into both of these policies and was recently told by the company that since last year was a bad stock year and they only yielded 1% the accounts will be broke in 7 years
Elizabeth 	I retired early based on careful calculations on the income from all sources. My company froze our Pensions in leu of contributing more to our 401K, so my pension is minimal. If this money is not recovered, we will get by, but we certainly will not be able to take the vacations we planned and we will have to be much more careful with our spending. I had hoped not to have to worry so much about our budget each month. This matter is almost always on my mind. Will I need to go back to work? How can I make up for the lost money? I know the Lord will take care of us, but I still worry. We cut back our travel plans for this year and are delaying replacing my husband's car. The worst thing for me is to think that my money was used to extract abusive interest charges from military and other pensioners. This is repulsive and it makes me sick.

Earl 	The loss has put our retirement plan in the toilet. I have had to go out and obtain an additional life insurance policy at a considerable expense with funds that were being used to cover monthly expenses. We have had to cut out all non-essential expenses. This situation has caused myself and my wife undue physical and emotional distress. We have lost countless hours of sleep due to worry. We have argued and blamed each other for this catastrophic episode in our life. We have spent untold hours trying to find a solution to provide a reasonable standard of living for my wife in the event of my death. We thought we had found a reasonable solution only to have it disappear. As far as our financial well-being we have had to cut out all our non-essential expenses. You can only imagine the problems that are caused when 2/3 of your retirement savings just disappear. The stress involved in attempting to replace $600,000 in life insurance at my age and then trying to pay for it was just about enough to give a normal healthy man a heart attack.
Bobby 	I have lost a lot of sleep worrying about this mess! I cannot believe I was so stupid to fall for this! My advisor is a master salesman and bull-shitter! I find myself cutting corners on expenses that I thought I had planned for. $ 400,000 is a huge loss. Some arguments with my wife regarding finances that we should not be having!! I worked too hard planning for retirement. This sounded too good to be true! I was an idiot!! Loss of self-respect and confidence!!

Alan 	I was counting on the security of extra income later and having some long-term care insurance with this. I generally am not a worrier. However, this loss has caused worry for myself and my wife. I trusted the adviser to be honest and to work in my best interest. I know now that he was solely interested in his own interests. I am far more skeptical of things now. I am really angry with my advisor. I was let down and feel that he should not have recommended this product (IUL) and that the use of FIP is especially galling. When I found out that FIP was banned in other states and that information about its true nature was able to be easily discovered online at the time and before I made the investment, I was shocked. Due diligence in this case was not done.
Diane 	This was money for a cushion for my retirement. If My advisor had been honest about this investment, I would never have put my money in this “investment.” At the very least he was deceitful, and at worst down right lied at times.
Paul and Susan 	This has been an extremely stressful situation. It has caused us to lose sleep, argue, be distracted at work, put other planned expenses on hold. We were planning to purchase a retirement home but have put this on hold. Paul was planning to retire this year (2019) but am continuing to work to recoup losses. This has changed the timeframe in which we plan to retire. We are still working and plan to work a few additional years beyond original retirement plan. Susan recalls a conversation in which my advisor noted that he had been given a Pac Life award for being a top seller. He was flown to California and had box seats to an NBA game. Therefore, Pac Life should have known that something was unusual with large sales in a small South Carolina town. In initial discussions with My advisor, he said it was his responsibility as a fiduciary to use the utmost care when investing our money. He also said that he would give us the Good, the Bad and the Ugly about any investment that he recommended. There was no Bad or Ugly given when he recommended FIP or Pac Life.

	He told us about all of his accomplishments, giving us many reasons to trust him - named Southeast Financial Leader in Forbes magazine; was 2015 Top 5 Finalist for “Advisor of the Year” by Retirement Advisor Magazine; elected to Board of Directors of International Association of Registered Financial Consultants (IAFRC) at end of 2017.
Mary 	I lost approximately 1/3 of my retirement funds. I feel that I will now need to work several more years. Overall, the stress that comes from the sudden loss of money that I struggled and sacrificed for years to save, has diminished my daily peace of mind and elevated the fear I inherited from seeing my elders struggle to receive adequate care on their own journey of aging gracefully. I come from family stock that tends to spend the last 2 years of their life in nursing care. If I follow my family genes, that kind of care is expensive and I fear that I will not have enough to be in a decent place of care.
Jerome 	I have had to rethink my retirement plans, push back retirement, accept that we may not have the quality of life we planned. We were both in great health at the time. We are still in good physical health; however, I am now breaking out in hives, and experiencing eyes swelling and lips swelling. I think about this almost constantly due to the fact that I am getting closer to what was my planned retirement age. We have both gone through an emotional roller coaster. I am embarrassed that I was taken in and upset that I lost almost half of my retirement savings. I am very angry that this happened, both with myself and the advisors and companies involved.My wife is extremely upset and we are worried that we may not be able to retire to the quality of life we had worked so hard for.

Jane 	It has been detrimental in my plan as I had $82,000 in investments and now, I have $2,000. This has been an emotional roller coaster and has devastated my husband and I. It is in the forefront of my daily thoughts and I have lost sleep over this. My blood pressure is now high and this is a constant emotional battle. I wonder how we will survive on our limited income if and when I am able to retire. I have a very strong worth ethic which was passed down to me by my parents, but they also told me if I worked hard, I would be rewarded and now here we are. Although this amount may seem small in the grand scheme of things, it was supposed to be mine to enjoy in retirement. Now, My advisor and parties have robbed me of this. My siblings are very concerned about my well-being as they know how hard I have worked towards my retirement. They live approximately 10 hours away and I was planning on using some of the funds to be able to visit them on a more frequent basis when I retire. My sons also live a great distance and would like to be able to visit them frequently. Now the future remains uncertain since I am unsure if these funds will be accessible to me.
Stanley 	It has caused me quite a deal of anxiety related to the unknown of what the outcome of this litigation will be and the thought of losing my entire investment and having to re-plan my retirement and possible continued working duration based on that outcome. It has put my retirement planning on "HOLD" and I am continuing to save for retirement in the wake of this questionable outcome. I will have to make another retirement plan to offset the expected "tax-free income" that this UIL plan had promised. Mr. My advisor never mentioned FIP investments to me in any of my discussions with him leading up to and after my decision to go with this UIL plan. The first time that he mentioned FIP to me was when he called me to his office for a meeting to inform me of the FIP financial situation. He turned this meeting into an explanation and display of his defense for doing what he considered his "fiduciary duty" and "due diligence" in this matter.

Debra 	My plan was to retire at age 64 or 65 but now because of this loss I will have to work several years beyond age 65 in to order retire. Upon receiving the information that all my money that I had worked very hard for 16 years was gone I had to take a few days off of work because it made me ill. I cried for days wondering how I was ever going to be able to retire and have some quality time with my husband who suffers from a rare leukemia cancer. My plan was to retire before age 65 as I do not know how long my husband will be with me. I have worked for Daymon for 16 years and it is not a 40 hour a week job and requires an average of 50 to 60 hours a week in a very intense environment. But I did this because of the ESOP plan they provided for their employees which enticed me to take a position with Daymon. They do not offer this ESOP plan anymore and when it was dissolved, I did receive it because of Bain Capital purchasing Daymon and in the offer they paid out the ESOP. I remember My advisor making the statement he was so glad he finally got his hands on this money and we need to invest in this program. Several meetings before I received ESOP payout My advisor asked me several times to make sure I could not withdraw this money. My husband retired at age 62 with a reduced amount of social security but we were not too concerned because we thought we had my ESOP investment. Our whole lives have changed not only because of my husband's cancer but now this had added an additional burden to our situation. I pray that by the grace of God we can get through all of this.
Devon Jr & Barbara 	We started receiving Social Security in January 2019. It was always our plan to use personal funds from my Retirement Accounts for 3-4 years until the Minnesota Life IUL tax free payments would kick in. Social Security was estimated to only cover roughly 55% of our required income to live on. Without Tax Free Cash from IUL's, this makes us run out of money sooner than planned. Although I personally have been devastated, my wife has been the one that really took this incident the hardest. My wife and I have been together for over 42 years, and she realized that after having sacrificed to save and so many times postpone and even do with-out planning for our future retirement and have someone like My advisor come along and outright lie and deceive us without one ounce of consciousness just don't seem real.

	The physical effect will "not" be noticeable for years to comes, but the impact on us emotionally and the effect on our financial well-being is totally unrecoverable at our ages.
Glenn & Gudrun	The $250,000 fip investment was to get us through from age 65 to 70, when the iul was supposed to start paying and to help pay our tax burden for the iul. Now have to pay tax burden out of the existing money. We had to cut back on our travel plans, restrict dining out. It has deeply affected both of us. We try to live without dwelling on it too much, as it is too disturbing. We both now fully understand why people committed suicide when they lost a lot of their money due to bad investment. Of course, we are ashamed to even discuss this with anyone, since we have been so naive to be conned into the iul and fip investment.
Kurt 	We have to keep working longer than we anticipated. We have had to reduce spending, which caused a change of lifestyle. Had to cancel vacation because I am still working, had to put of home repairs. My wife loses a lot of sleep because of worries of lost money. The Minnesota Life policy was sold to us as in investment with great tax-free income. We did not need Life insurance. My advisor spent a lot of time selling this policy to us. He is a great salesman, made many dishonest promises, like cost of the policy and future returns. There was no discussion about risk, he presented it as absolutely safe, never mentioned FIP. He did not give us a copy of the sales contract. I feel really stupid, that I trusted him.

Dennis 	This has severely affected by retirement plan, as it reduced my IRA by about 34%! I have a lot of emotional stress. Waking up all during the night sweating with this on my mind. And it's on our mind all during the day and getting in arguments with each other. We can't stop thinking about how much Insurance Advisor lied to us and others.
Christine 	Since I'm currently retired, I'm tightening the purse strings, maintaining my yard myself, no longer traveling. The stress and anxiety have caused sleepless nights, emotional turmoil and sinking feeling of doom. Being divorced, I have no one else to rely on. I have been saving for retirement since 1986. This was not an easy thing to do while being divorced and raising two little children on my own, receiving minimal child support. There were times when I had only a few dollars to my name and had to make an agonizing choice between buying milk and bread for the children or putting gas in the car to get to work, which won out. This is what responsibility and accountability is about. The parties involved in this scam had none of that, only GREED, GREED, GREED.
Debbie	It is certainly a cause for concern. While I do have a small teacher pension, my husband will not have a pension from his work, so we are depending on the money that we have saved/invested to carry us through our retirement years.
Steven	I went from having a plan to not having a plan. I originally planned to retire at 66 but without the funds I mistakenly entrusted to My advisor I do not see retirement in my future. 70% of my retirement was in this account. I planned to retire at age 66 but unless funds are recovered, I don't see retirement in my future. A significant strain has been placed on my marriage as it was my wife's family that recommended my advisor so my wife feels a heavy burden on this decision. My wife started seeing a therapist regarding the guilt she feels. The added stress has affected my health and caused many sleepless nights. I've had a heart murmur since

	childhood which is why the Minnesota Life policy was put in my wife's name however, I had never had any physical problems associated with it. Since this loss I've had to see my cardiologist frequently because of the stress. I can't tell you how mad this entire thing has made me. My wife and I took about 6 months making the decision to trust my advisor with our investment. The decision didn't come easily and with did it with such caution but to no avail. My wife researched all the companies (Gold Star and Minnesota Life) as well as UL policies and it all seemed legitimate. Unfortunately, we never heard My advisor mention FIP because if we had just Googled that company, we would have known to stay away from it. There were already multiple states in lawsuits against FIP at the time we were entrusting our money with My advisor and he HAD to have known this at the time. An easy Google search tells all and he knowingly put our money there only to benefit his back pocket.
Suzanne 	Since I have less than half of the money on which I had planned to use in retirement, my plans are dramatically altered. I have countless sleepless nights; nauseated (whenever I think about this). I am depressed about losing IRA money saved over 36 years; self-doubt- how could I have trusted My advisor and been so wrong? Financial- half of my retirement savings are gone; The comfortable, safe retirement plan which I tried to build is not my current reality. Budgets and spreadsheets galore. I have to figure out a new plan that will work. I am disgusted with this entire situation.
Florence	There will be no retirement plan for me until I am closer to 70. The Pacific Life account was also supposed to give me Long Term Care and that is now not a possibility. There is no financial well-being. I am stressed over finances. If something were to happen to Larry, I would not be able to pay the mortgage and all the bills on my income alone nor on his social security death benefit income. I do not sleep well without a sleep aid. I work very hard to keep to a tight budget so that Larry does not have to return to work. This added stress has harmed our marriage. This has turned from a retirement of having enough to one of a retirement existence. We are both too old to rebuild finances but can only work to keep from going under. I am always looking for ways to bring in extra cash. Because I cannot

	afford medical insurance, I have gone without doctor's care for well over two years. I do as much holistic medicine as I can research online myself. Larry needs extensive dental work but we cannot afford the cost. We are living in our house with no flooring or carpets because we cannot afford them at this time. In April of 2018 Larry was diagnosed with a potentially serious bacterial skin infection called Cellulitis. As we could not afford hospital care we went to a clinic where I was instructed how to care for him. I had to monitor the condition, provide medication every 4 hours, all while working 40 hours a week. The clinic Doctor warned us that any advancement of the infection would require a hospital stay. All of this happening while learning about the loss of our retirement money. My advisor told us several times that he liked to help the little guy have the money to retire as much as he liked to help the millionaires. He made us believe that this scheme was the fastest and best way for us to increase our chance of having a great retirement where money was not going to be a problem and we could retire comfortably. This scheme he sold us was also supposed to include Long Term Care for me and now that is no longer a possibility. This was a major selling point and one of the reasons we signed up for this was because of my very vast past medical issues which included preventative cancer treatments (very extensive history in her family of cancer's). We would like My advisor to pay us for using us in his scam to obtain new clients. My advisor would host these fancy dinners at Ruth's Chris Steakhouse and invite newly signed up clients to sit at tables with potential clients or those on the fence. Without being told it was clear that those of us who had already signed up were selected to enjoy this 'free dinner' in order to talk others into investing with him. If that wasn't the case, he would have sat all of those who had already invested together at one table. This event took place before we knew about the FIP scandal and so we nicely returned the favor for the free meal and told those at our table what a great guy my advisor was and how we invested. I hope none of those people signed up but we feel used and we think he should pay us for using our good name in his scheme.

Thomas	Our retirement plans are now uncertain. I am still working full time and will continue to do so until we have what we consider sufficient savings to maintain our normal lifestyle. Emotionally this is a very stressful situation. I think of this error in judgement constantly and I believe it affects the way I now view and interact with others. I have become very distrustful toward those I do not know well. My wife Susie and I have been married since 1972 and this period in our lives has not turned out the way we had planned. We should be retired, enjoying life, but I am still working full time trying to save for a secure although uncertain future. I served in the US Navy for 22 years and being in the military can cause some very stressful times, especially during a deployment, however, that is nothing compared to the amount of stress this has caused. During a deployment you can see a light at the end of the tunnel, but so far there is no light shining on this problem. Not knowing when or how this will end up causes me to stress over many small details of daily life that otherwise would cause no concern. I am now in a situation where I have to rely on someone, I have never met to solve this problem. I find it disturbing that the culprits in this, namely my advisor and others at his firm and other such advisors may still be taking advantage of others. We will not be able to have the retirement we wanted.
David	This issue has caused significant emotional and mental stress in our relationship over the past couple of years. My wife was most reticent for me to purchase an IUL policy due to my age. She felt this was a risky move so late in life but my advisor convinced me I would be in good shape in a few years to withdraw money tax free for retirement financial security. We both trusted My advisor after many conversations on how hard we had both worked to save for our future after both of us went through divorces after long marriages. We trusted his financial guidance after many conversations and trusted him to help us determine what we needed. He was well aware of our situation and that we were financially okay, but not overly wealthy by any means. Our financial well-being is now in question and our plans for a happy retirement now have a cloudy future, we have already canceled some future plans for travel and sightseeing. We are both rather upset that we made these recommended poor

	choices that put our plans for our retirement in jeopardy. The stress has affected my wife's health more than mine, she has been having more health issues and recently been diagnosed with Atrial Fibrillation and severe high blood pressure which increases our financial burden and concern due to the medical issues involved and the already very expensive medication. We will need to reduce spending and eliminate most of our travel plans and large purchases.
Robert 	This is the only time in my life that I have been a victim of fraud. The magnitude of the fraud and the misrepresentation of the investment has angered me and destroyed my trust in professional financial advisors. My initial goal was to switch my traditional IRA into a Roth IRA before my 70th birthday. My advisor fraudulently convinced me the IUL products were a vastly superior product to accomplish the same goal of tax-free income. I no longer have the opportunity to take advantage of the Roth IRA benefits due to my current age.
Frederick	We were looking forward to traveling and enjoying our retirement. After the reality of losing our investment set in, I can say our wellbeing is certainly not good. I have spent many a sleepless night worrying about this and a day does not go by that I think about how this has negatively impacted our lives. After careful planning we thought we had the correct conservative investment program to have a great retirement and to do many of the things we diligently saved and sacrificed for. Unfortunately, we have had to make depressing changes in our lives to deal with this loss of income. This is certainly not how we expected to spend our "Golden Years".
Dennis & Maxine	Physically the biggest impact has been increased stress in our life related to how we handle financial items now and in the future. The biggest impact emotionally is our attitude turning significantly negative towards our advisor whom we had trusted. We had not trusted a third party based on others' experiences and our experience financially 30 plus years ago which was negative. My advisor was the first we had trusted, not sure we can do it again. Concern for the future, is not having a trusted

	advisor to help us when some of the investment products. The financial impact has been requiring us to change our plans such as; delaying by years both a bathroom remodel & replacing our deck now that the wood is failing, 2 to 5 years, moving dollars out of stock investments to savings to be able to cover the cash requirements for IULs we have purchased (multiple year commitments) while maintaining enough of a cash reserve, moving up our plans to when Dennis will take Social Security from planned late 60's - 70 to now, age 66. My advisor told us FIP was a safe investment. At a minimum he should have been checking up on the investment making sure it was a sound investment on at least a quarterly basis. If he would have been doing this, he would have not recommended any further FIP investments as of early 2017. By that time, there were multiple items on the internet that would have alerted him (or if he did see them, it is much worst).
David	This issue has caused significant emotional and mental stress in our relationship over the past couple of years. My wife was most reticent for me to purchase an IUL policy due to my age. My advisor convinced me I would be in good shape in a few years to withdraw money tax free for retirement financial security. We both trusted My advisor after many conversations on how hard we had both worked to save for our future after both of us went through divorces after long marriages. We trusted his financial guidance after many conversations and trusted him to help us determine what we needed. He was well aware of our situation and that we were financially okay but not overly wealthy by any means. Our financial well-being is now in question and our plans for a happy retirement now have a cloudy future, we have already canceled some future plans for travel and sightseeing. We are both rather upset that we made these recommended poor choices that put our plans for our retirement in jeopardy. The stress has affected my wife's health more than mine, she has been having more health issues and recently been diagnosed with Atrial Fibrillation and severe high blood pressure which increases our financial burden and concern due to the medical issues involved and the already very expensive medication. We will need to reduce

	spending and eliminate most of our travel plans and large purchases.
Virginia	I have a lot of sleepless nights, crying spells, and anger. I have less funds now for retirement and enjoying life. I have no funds for any level of long-term care.
Vandy 	The loss is 60% of my life saving while I can no longer make it up. This is quite a shock. When I think about this, sometimes my heart is racing, I get sick or dizzy, I can’t sleep. My blood pressure went up. My diabetes got worse with high A1c. I was given more medicines. Financially we have to cut everything, but the necessities. It gets me crazy. I feel I have significant memory loss. The loss affects my retirement plan so much. I took the Social Security benefit last year. I did not travel around the US as planned. There would be no visit to my home country Cambodia. There would be no eating out. I am prepared for the worst.
Kelley	This loss has been devastating. I was trying to make the right decisions with this money and invest it intelligently. I think and stress about what has happened daily. My husband and I had plans for this money to help pay for our future children's college as well as grow to help us retire sooner. I feel betrayed and hurt by people I thought were helping me and promised this money was being invested for my benefit. I am so scarred and feel so stupid for trusting these people with my money. I still wish daily that I had never met anyone at this company. My Grandparents worked so hard to leave me the amount they did and I am so upset that this happened. I had planned to retire early, but now will be working until 65+

Samuel 	This loss has caused us so much emotional stress that my wife and I have both suffered physically. We are on more medication for high blood pressure. We are financially strapped to the point that we cannot live according to what we had planned and had expected to live upon our retirement. We are actually preparing our home to sell it and move to something smaller so that we can be assured of having some money for health issues which are coming on as we get older. We are trying our best to keep believing and having faith in our Lord and Savior to get us through, but it is very discouraging at times that we are having issues come between us. This has been one of the most difficult things we have gone through in 2018 aside from losing our 15-year-old grandson in a car accident on January 6, 2018. This has resulted in a reduction of our total retirement income by 50%

Sara 	I am depressed and it is hard to focus at work because of what I have lost. I was counting on retiring in the next 2 years, but I may have to reconsider that now because of this loss. This loss has changed my lifestyle, and I know that I will not have the funds to accomplish my retirement goals. I am so upset now because of all that has happened, and I will probably have to work much longer than I had planned.
Pam 	I taught for 30 years and saved my money. This is the money I counted on for my retirement, and it is now gone.
Robert	This experience has made me rethink how I place trust in others. Losing this money will mean I am unable to assist my granddaughter with college; will affect monies I had hoped to be able to give my son. I do worry about the significance of mis-placed trust and lost money that had taken years to save. I am upset that the money that would have helped pay for grandchild’s, college is lost, and the plans to travel are gone, changing how I planned to enjoy retirement.

Walter	As far as my well-being, I am stressed all the time because of the loss of my retirement that I worked my whole life to be able to retire, and now that is gone. I have become short tempered and very irritable. My wife comments about how bad I have become all the time, and this causes a lot of issues between my wife and me. I'm concerned about even trying to get a job because of being short tempered and irritable all the time. I doubt any supervisor would want me to be an employee with my bad attitude and short temper. I try to control it around my family, but often I just cannot stop myself in time to control my behavior. I was never like this prior to finding out about the loss of my retirement. I was a supervisor and manager at work and everyone always complimented me on how easy going and understanding I was and did not get mad but would work things out calmly. Those days are sadly over, now I just stay at home by myself. I was looking forward to going on trips with my wife and enjoying our retirement together, now that is all gone!! All I can look forward to is my wife continuing to work as long as she can, and if I can get a job, then I can work as long as I can to be able to pay the bills and hope to retire someday in the future again. Physically I have gained a lot of weight because of my bad attitude and irritability due to this situation, and I have started drinking a lot more than I should. I know this is bad for my health. My wife was supposed to retire but at this time we cannot afford her too, so she will need to continue working. So instead of being able to enjoy our retirement years together traveling and visiting family, we stay home.
William 	Due to the significant amount of this investment ($500,000) there has been a tremendous amount of emotional stress added since April 2018 when this problem came to life. There have been many sleepless nights due to worry. I have had to rethink retirement and have postponed retirement for at least 1 year. I have lost approximately 25 lbs. but weight fluctuates due to stress eating. There have been added marital tension due to my emotional roller coaster and delays in retirement plans. My wife has had to have both knee and hip replacements, and due to additional work extension and emotional stress, I have not been there for her as I needed to be. I have lost all

	confidence in my financial decision-making ability due to this investment decision. In addition, I have to live with the situation that had I left the $500,000 in the $401K, it would have increased to well over $650,000. Due to the significant losses with FIP, I was "forced" to rescind the IUL policy to try to minimize losses which has added more stress due to uncertainty this has created. This has also been a terrible emotional burden and embarrassment when I had to share with our adult children the financial mess I go into. I am good at technical engineering issues but have very limited financial knowledge. For that reason, I have only put money into my 401K until this. Nearing retirement, I was very concerned that I had not done enough financial planning heading into retirement so I put my TRUST in my advisor and his firm. I cannot express the amount of anger, hurt, stress, depression this has put myself, wife and family through.
Jeffrey	This has significantly affected my retirement plan. This was a huge chunk of our retirement nest egg. I would say about 75%. This has been a very emotional toll on our financial well-being. This money constituted a very large sum of our overall retirement nest egg that we have been slowly building for over 20 years and the thought of losing what we have worked so long and hard for is very disheartening. We currently have one daughter in college and the other will be in college soon, so we are financially strapped for the next several years, and will not be able to add additional money to our retirement accounts to replace what we have potentially lost. I basically told my wife that I guess retirement for me is even further down the road or not at all which is very depressing to think about.
Gloria	The IUL policy was purchased intending to reduce taxes during retirement and to fund tuition for my 2 children. I worry, and I didn't believe it at first. How could that happen to one of "best advisors in the business?" But after searching on line I realized that it was true. I have been really angry, using my heavy bag and speed punching bags to get rid of anger and frustration. That is good upper body and cardio exercise and it helps me feel better when I want to hit something. Financially, there isn't that savings to help my daughters thru the last 2 years of college. That is something that I really would still

	like to do. I have applied to teach at 2 universities with not much optimism that I'll get much of a job, given my age. I am actively looking for technical jobs, etc. We are considering applying for loans to help fund tuition. Early on, I resolved to never take out a loan that didn't have real collateral. But now, that resolve won't do me much good.