

FOR IMMEDIATE RELEASE

Contact: Chip Anderson
Executive Director
Direct 414.332.9306, ext. 1
chip@nafa.com

After Fifth Circuit Vacates Fiduciary Rule, NAFA & DOL Agree to Drop Lawsuit

WASHINGTON (Mar. 24, 2018) — Late yesterday, the National Association for Fixed Annuities Board of Directors announced it is withdrawing its lawsuit challenging the Department of Labor “Fiduciary Rule.” In a filing with the U.S. Court of Appeals for the D.C. Circuit, NAFA and the United States Department of Justice agreed to a [voluntary dismissal of the appeal](#).

NAFA’s decision comes on the heels of a March 15th ruling by the Fifth Circuit Court of Appeals, which vacated the Fiduciary Rule in its entirety. The NAFA lawsuit was one of two lawsuits challenging the authority of the Department of Labor to issue the rule.

“We are very pleased the Fifth Circuit understood the harms the Fiduciary Rule created for middle American retirement savers. This ruling vindicates both NAFA’s and the Fifth Circuit plaintiffs’ chief concerns, and, as a result, we see no reason to continue to pursue our litigation in another federal circuit court,” said NAFA Executive Director Chip Anderson.

NAFA brought its challenge to the Fiduciary Rule nearly two years ago in the D.C. District Court, while the Chamber of Commerce and several other trade organizations brought a similar challenge in the Northern District of Texas. The lower courts in both cases ruled in favor of DOL (upholding the rule), but, on appeal, the Chamber prevailed in the Fifth. NAFA believes the Fifth Circuit decision renders its case moot.

“We still have a lot of work to do,” said Anderson, “but now we will focus our energies on promoting insurance regulations that properly recognize differences among financial products and the way those products are delivered” said Anderson. He indicated NAFA will continue to engage with industry stakeholders, the NAIC, and other state and federal policymakers.

“We are confident that fixed annuities will always play an important role in meeting the needs of retirement-oriented consumers and will continue our fight to promote fair-minded regulation that give consumers real choice in a vibrant financial services marketplace.”

###

About NAFA

NAFA, the National Association for Fixed Annuities, is the premier trade association exclusively dedicated to fixed annuities. Our mission is to promote the awareness and understanding of fixed annuities. We educate annuity salespeople, regulators, legislators, journalists, and industry personnel about the value of fixed annuities and their benefits to consumers. NAFA’s membership represents every aspect of the fixed annuity marketplace covering 85% of fixed annuities sold by independent agents, advisors and brokers. NAFA was founded in 1998. For more information, visit www.nafa.com.