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Sent: Thursday, June 04, 2015 8:52 AM
To: EBSA, E-ORI - EBSA
Subject: RIN 1210-AB32

I am writing to express my disagreement over the proposed “Fiduciary Standard” proposal. As a practitioner, a Registered Representative, and a Registered Investment Advisor Representative with decades of experience, I can tell you that this proposal will have negative consequences to the client, the advisor and almost all stakeholders.

After reading a number of the already submitted comments, especially by the public laypeople, it is obvious that they see this in two ways: 1) Reducing or eliminating conflicts of interests that, in turn, cause the advisor to “act in the best interests of the client”. On the face of it, who wouldn’t want anyone that serves us in any way to always have our best interests at heart? And if that means taking a few bucks out of the greedy advisors’ hands or companies that provide the services, all the better.

Sounds great, doesn’t it..?

Under THIS mindset, who in their right mind would be AGAINST this proposed rule?

But here are the facts: extending ERISA type controls over those who provide advice for say, the average IRA owner doing a rollover from a qualifies retirement plan like a 401K means that the advisor acts in the best interests of the **PLAN, NOT** the client. Do these folks even understand what that means to them?

I would guess not.

Most people would not even guess the hours spent every year already paying for and complying with existing regulations. For example, would most laypeople guess that 1) registered advisors (includes most of who this proposal seeks to further regulate) already attend hours of compliance meeting EVERY year? 2) Professional liability insurance (commonly known as Errors & Omissions Insurance) often runs well into the thousands of dollars for the advisor every year? 3) That renewal of securities’ license fees often run into the thousands every year? 4) That to meet compliance requirements, we have to maintain an email account that is read by our broker/dealers, as well as by regulators? 4) That we have to justify *every single sale* of any securities product to a specially trained compliance officer? 5) That every letter to every client is to be turned over to our compliance officers who read each and every one of them? 6) That even our business cards and websites have to be approved and continually (usually annually) approved so as not to in any mislead a potential or existing client? 7) That there is already a perception of somehow being “ripped off” by advisors who, in most cases, have the best interests at heart for the client. Why? We want to be that

client's advocate and help them for years to come. Our job is to instill trust and ethics because we understand the seriousness of our clients' money.

The fact is that this proposal would: 1) significantly raise compliance costs. This in turn means more paperwork for the client, but more importantly, potentially increased chances of the advisor getting sued, even when he/she HAS DONE everything in the clients best interests but have somehow gone outside the ERISA standard of definition of fiduciary. That increased chance of being sued leads to higher insurance premiums (already are between \$2,000 to \$6,000 PER YEAR). Those costs mean one of two things: advisors will see fewer clients because the account size isn't worth the cost of compliance and risk of litigation or...higher fees for the client. Or, the advisors will simply exit the business.

One commenter encouraged implementation of the proposal because his advisor already felt that the account size was too small and thereby ended the relationship. Upset, he actually believes that this proposal would somehow change all that.

If we ask anyone on the street if they want something for less money, or if the provider should work for less money, the answer is consistently "Yes!! Please!! Our government regulators have the ability to hurt these mean people. By all means, they should do so: pronto!" But the people in this industry are like any other: trying to earn an honest living by helping others in an ethical and valuable way.

The unintended consequences and the costs of this proposal will not help, but *hurt* the public *and* the economy, since the growth of the economy is dependent on sensible investments. Without advisors who have the education, the skill and the *passion* to help our clients, everyone loses.

I sincerely appreciate your time in reading this.

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