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Once again the government is attempting to fix something that isn't broken. A tweak here or there may make some sense rather than a complete overhaul that will harm those that it's attempting to save. Over and over again, government overreach veiled as "coming to the rescue" of poor ol' John or Jane Doe, has consistently created a much bigger problem than the one it's attempting to solve. It's one thing for bureaucrats to theorize a perfect world scenario, but practical implementation is another. However, I do agree there should be a uniform fiduciary standard of care applicable to all professionals providing personalized investment advice to retail clients. A uniform standard of care should consist of the following:

- A professional should act in the best interest of the customer without regard to the financial or other interest of the broker, dealer, or investment advisor providing the advice;
- A professional should provide advice with skill, care, and diligence based upon information that is known, or should be known, about the customer's investment objectives, risk tolerance, financial situation, and other needs; and
- A professional should disclose material conflicts of interest, avoid them when possible, and obtain informed customer consent to act when such conflicts cannot be reasonably avoided.

Any regulation in this space should make **it easier** for investors to receive high-quality, individualized investment advice from a trusted advisor, **not harder**. Investment services for retirement savers with small account balances will likely become cost prohibitive because of increased compliance costs and the likely alterations to the independent broker-dealer fee model. The changes to what would and would not be considered "investment education" will likely curtail the effectiveness of investor education outreach with regards to plan participants and IRA owners. The inclusion of decumulation in "investment education" is commendable, but the prohibition on stating specific investments in educational pieces will lead to investors having less knowledge regarding investment options. "Robo-advisors" and other emerging technology platforms can provide asset allocation, portfolio rebalancing, or risk tolerance advice at a modest price point, but they cannot provide the life events/financial planning services that bring employers and participants into the retirement savings system and keep them in the system during fluctuations in the market. This is especially true for investors nearing or already in retirement that need professional financial advisors to assist them with decisions related to estate and tax planning, making their retirement assets last, medical concerns, major life changes, hospice care, etc.

Improved disclosures would address many of DOL's concerns that have led to the proposal. Investors can make better choices when they are properly informed of the differences between the advice and services being offered. In order to provide investors with the information that they need, investors should receive concise, **consolidated disclosure documents written in plain English**.

The following disclosure approach would be beneficial to investors:

- A short-form document focused on the issues that are of greatest importance to investors that would be provided in electronic format at the point of engagement. The document would include:
- The standard of care owed by the broker-dealer to each client;

- The nature and scope of the business relationship between the parties, the services to be provided, and the duration of the engagement;
- A general description of any material conflicts of interest that may exist between the broker-dealer and the investor; An explanation of the investor's obligation to provide the broker-dealer with information regarding the investor's age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, and any other information the customer may disclose;
- An explanation of the investor's obligation to inform the broker-dealer of any changes in the above information; A phone number and/or email address the investor can use to contact the broker-dealer regarding any concerns about the advice or service they have received; and a description of the means by which a customer can obtain more detailed information regarding these issues free of charge.
- Expanded disclosure that would provide investors with access to full details via the broker-dealer's website or brochures to be provided free of cost. Utilizing hyperlinks and other internet functionality, investors would be able to access the following information in areas where they desire additional detail:

A detailed schedule of typical fees and service charges; The specific details of all arrangement in which the firm receives an economic benefit for providing a particular product, investment strategy, or service to a customer; and other information necessary to disclose material conflicts of interest.

The proposal would unnecessarily restructure the securities, insurance, and banking industries - our industry is highly and effectively regulated by the SEC, FINRA, and state regulators. There is already redress for bad actor activity in the retirement market through enforcement actions brought by the above regulators.

The DOL has stated on multiple occasions that retail clients are generally well served by our industry.

The costs related to the proposal's implementation are severely understated, which is very typical of more government involvement. Just think of the costs building new disclosures, website functionalities, legal fees, training, etc. that small firms such as mine will have to bear in complying with the proposal. The internet disclosures and data retention/request requirements are overly-burdensome and will require the development of entire new systems that the industry has never contemplated, thus generating astronomical compliance costs. All of these costs will inevitably be passed along to consumers thereby increasing costs instead of reducing them, which I understand to be the goal of this legislation!!!.

The "legal list" of assets prevents advisors from being able to recommend products that very well may be in the best interest of an investor. The list should be removed from the proposal or expanded to include more products.

The exemption creates a new private right of action that was never authorized by ERISA or any other related statute. Furthermore, there are already federal and state remedies that are available to consumers who feel that they have been harmed by a broker-dealer and other advisors.

The requirement that a customer sign the contract "pre-engagement" will create an unnecessary hurdle to customers even engaging with a financial professional to understand his/her potential investment options. Any such contract should be provided and signed at the point of sale.

Some other concerns with the proposal:

- Fiduciary status should be deemed to arise at the point of sale, not at “first contact,” as is proposed.
- The proposed grandfathering provision will require that virtually every single account be repapered or that advisors not provide any further service on the account. Therefore, it needs to be replaced with a more conventional grandfathering clause that is tied to the date of purchase, irrespective of continuance of service on the account.
- The current applicability date of 8 months is inadequate because there is no way that the systems and disclosures required by the proposal can be developed in such a short time frame.

Advisors are in business to provide a service to individuals and businesses who need help with their financial planning. They spend the majority of their time pursuing their chosen profession. **Rudimentary common sense financial education was nowhere to be found in the general educational curriculum that these people received during their school years and as such, these same people need access to advisors who have dedicated their professional lives to understanding the financial go-to's that have to be implemented in order for those people to have successful outcomes to their financial plans.**

A tweak here or there may make some sense, but this proposal as currently outlined will end up hurting those its intended to help. This proposal will limit financial advice to those that need it the most. They will end up removed from access to the advice that they so badly need and that's a real shame. Those that are fortunate enough to be in line for the advice will take-on additional costs that will be shouldered by advisors and their broker/dealers and passed through to them - that's a real shame as well.

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