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July 20th, 2015

U.S. Department of Labor
Office of Regulations and Interpretations
Employee Benefits Security Administration
200 Constitution Avenue, NW
Washington, DC 20210

Re: Definition of the Term "Fiduciary"; Conflict of Interest Rule—Retirement Investment Advice (RIN 1210-AB32)

Ladies and Gentlemen:

Thank you for the opportunity to provide comments regarding the Department of Labor's ("Department") Proposed Conflict of Interest Rule ("Proposed Rule") and Best Interest Contract Exemption ("BIC Exemption") under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). I am concerned that the Proposed Rule and BIC Exemption will unnecessarily increase barriers for Middle-Income Americans to the valuable retirement savings education and assistance that I and many thousands of other registered representatives provide. It is my hope that my comments are helpful to the Department.

I have been a registered representative with PFS Investments Inc. since 1994. My office is in Londonderry, New Hampshire. My clients come from the community in which I live and work. They are hard-working, very busy people, and, quite typically, before they meet me, no one has ever taken the time to sit down with them to assess their financial picture and discuss basic financial concepts with them, such as the power of saving for retirement through systematic investing and what investment options are available to them. They, like so many people in Middle America, do what they do daily very well, but the reality of life is that there is no time left in the day after their work day and evening family commitments end for them to proactively seek out education and advice on saving and investing. What some view as basic saving and investing concepts that everyone already knows, is typically not information they know. They are starting from a different baseline, and it takes a substantial time commitment to understand these concepts well enough to make actual investment decisions independently.

While it may appear that they *have access* to this information if they have computers or other mobile devices from which they can search the internet, they do not, in my experience, *access* this information on their own. It is time-consuming and overwhelming. They are much more comfortable working with a live person, and more successful when they do so, both of which studies have demonstrated.[1] And with retirement savings and retirement plan participation at such low levels, it is imperative that we help Middle-Income Americans in every way possible get on track toward ensuring better futures for themselves and their families.

Working with Middle-Income Americans to achieve their financial goals is what I have done my entire career in the financial services industry. A story about a particular client of mine comes to mind.

About four years ago I met a newly married couple in their early thirties who invited me to help with their finances. The husband was a high school teacher and the wife was an office administrator for a small business. Additionally, the husband worked as a bartender to earn additional income. They had just bought a condominium and had one child with the desire to have another. They also wanted to retire and wanted more information about how to better budget their money. They had some debt, and the wife had a small amount saved in a 401k. Both had SIMPLE IRAs provided by the small businesses where they worked. Despite having these options they were not on track to reach their retirement savings goal. They had never completed a retirement calculation and were blown away at the potential to reach their goal if they made some changes. This education empowered them to make better decisions for themselves. They made some adjustments to their SIMPLE IRA savings. They also chose to each open IRAs by investing $100 per month. The wife also chose to rollover her 401k savings because she wanted more investment options and was not satisfied with the level of support her employer's plan offered. She valued the one-on-one education and assistance I provided. I periodically check-in with them. We recently met, and I am proud to say they did not need to conduct any transactions because they are now on track to retire at 67 based on their current incomes. They also rent the condo where we initially met and own a house. They are doing well financially.

It is my belief that the Proposed Rule and the BIC Exemption as drafted will eliminate or substantially reduce people like this couple's access to education and advice, at the exact time and for the exact purpose they need it most – saving for retirement. I fear that the translation of education into advice, the imposition of the new BIC contract, the uncertainties created by the Impartial Conduct Standards which substantially increase liability costs and effectively disqualify the commission model, and the costs of complying with all of the many disclosure requirements will cause firms such as PFS Investments Inc. to conclude that it simply is not feasible to open smaller accounts. If a decision like this is made, my clients will lose access to the education and advice they so badly need, and their futures will be severely negatively impacted as a result.

[1] Oliver Wyman: The role of financial advisors in the US retirement market (July 6, 2015). Oliver Wyman states that it ". . . was engaged to perform a rigorous investigation of the role of financial advisors in the US retirement market, and quantify differences in investing behavior and outcomes between advised and non-advised individuals."

It is my hope that the Department will take this into consideration and withdraw the Proposed Rule. Thank you again for the opportunity to comment.

Sincerely,

Daniel Campagna
Londonderry, New Hampshire