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Definition of the Term ‘Fiduciary’; Conflict of Interest Rule—Retirement Investment Advice; Notice of proposed rulemaking and withdrawal of previous proposed rule.

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Definition of Term Fiduciary; Conflict of Interest Rule-Retirement Investment

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General Comment

I am writing to request the total repeal of this new "fiduciary" regulation imposed by the Department of Labor. I am an independent Financial Advisor and have been in business for 20 years and I have, since day one, been held accountable to the governing rule of "know your client". We are already held accountable to a standard that requires us, as Financial Advisors, to make recommendations that are based on the best interests of our clients. There is no ambiguity in that rule. We must understand our clients, their goals and their dreams and provide investment advice based on that. The new rule in theory expands those definitions but in practice it has had a much more debilitating effect. As advisors we rely on a diverse suite of investments from which to choose to meet our clients needs but since this new regulation has started to unfold, many investment products have been "pulled off the

shelf" for the simple fear that they are more expensive than some other investment. It is my contention that the costs versus the benefits of any investment product must be explained to clients so that they may make an educated decision. Some more expensive options are often the best solution if the benefits outweigh the costs. That is a decision for the Advisor and client and should not be limited by a regulation concerning itself with trying to control a level pay field. The real goal of the new regulation is level payout to us, Advisors, so that we do not have an "incentive" to suggest more pricey investments to clients. Leveling payout in and of itself is a genuinely noble goal but this regulation in practice is having detrimental effects on the investments available to meet our clients needs. Add to all of this the onerous new reams of paperwork that Broker/Dealers are now going to required to generate to meet the new BIC standards and the burdensome requirements will make us question with whom we want to work... Do we want to spend excess resources, immeasurable amounts of time and carry the advisory risk for smaller accounts? The short answer is probably not... the costs of doing that business FAR outweigh the benefits for us the Advisors. It is simple risk/reward. This regulation, with its intent to help the investing public, is going to limit investor choices as well as reduce the accessibility of professional advice to investors with less capital. It is my understanding that this has already been made a law as of last year so repealing it may be cumbersome. But what is right for the investing public is a different solution. I will leave this with one final question... I know the DOL has limitations on "qualified" or "pre-tax dollars" but why isn't there any push to have a similar rule applied to "Non-qualified" investments? I have a theory but I find it quite curious that our government is focused on these "captured" assets and less concerned about the costs of investments for the more fluid, non-qualified assets.