

**From:** Richard Bryant <rkbryant@capital-invest.com>  
**Sent:** Thursday, July 06, 2017 1:48 PM  
**To:** FiduciaryRuleExamination - EBSA  
**Subject:** RIN 1210-AB82

To Whom It May Concern,

My name is Richard Bryant, CEO of Capital Investment Companies, a financial services firm based in Raleigh, North Carolina that operates two broker-dealers and two registered investment advisory firms. In fact we are one of the largest independent financial services company in the two Carolinas with over 190 reps in 16 states. As well, I sit on two boards within the financial services industry.

I want to make you aware of what the current Department of Labor rule will do to our industry as it stands. First off, the proposed legislation has gotten the attention of the entire financial services industry to basically get pricing to the investing public under control. However, some components of the rule are just too much to bear for small to mid-size financial service companies. In particular, the plaintiff's lawsuit aspect (especially if class-action) of the rule is a business inhibitor. Also, the provision to have a contract with each investing person (better known as the Best Interest Contract or BIC) allowing for such legal proceedings is way too overreaching and will send the cost of investing to the public higher and higher. Lastly, the website requirement of having each customer's contract accessible online is just too onerous for small and mid-sized firms alike. And the *unintended consequences* of trying to decipher the rule are just OVER-THE-TOP!!!

From my recollection, of FINRA's roughly 4500 members, I expect the top 50 can stomach the cost of this over-reaching regulation. In fact, I have computed that it will cost my company approximately \$350,000 annually once we add the necessary staff and technology to handle to be compliant. This alone will render my firm and thousands of others defenseless as margins continue to compress.

There is also the issue of uniform regulation across the board with all financial service firms. It appears the SEC just does not have the manpower to do the job necessary to regulate our industry. Another fact is the industry itself is tangled up with the term "fiduciary" and it actually means to us all. Many in the industry are basically just using it as a term to

“skirt” the burden of regulation. I suggest uniform regulation across-the-board as well as uniform audits to level the playing field for all involved. This will keep those advisors that switch jurisdictions just for lesser regulation from making those decisions.

Too much emphasis has been put on the term “fiduciary” when, in fact, we all have gotten into this business under the guise of “knowing our customers” and being “prudent” with their money. Hiding behind the term “fiduciary” and making rules accordingly just does not favor well for the industry as a whole. We all know that there are “bad actors” in every industry, so let's not make the few “bad actors” control what the rest of us in the industry are trying to do on a daily basis which is provide the investing public with the services that they need to better their livelihoods.

Respectfully,



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