

**From:** Robert Ramos <rtramos@wealthmanagementpartners.biz>  
**Sent:** Monday, July 10, 2017 9:41 PM  
**To:** FiduciaryRuleExamination - EBSA  
**Subject:** Comment

Good evening,

The DOL has requested additional comments on its Fiduciary rule.

I am just a humble independent financial advisor with 23 years experience. I am not a zealot and I am not some high paid lobbyist.

The basic question asked by the DOL in its RFI is should the Jan 1, 2018 "rule" implementation be delayed. The answer that should be obvious to anyone who is actually paying attention (this would not include the zealots or paid lobbyists): YES the final implementation should be delayed. The June 9<sup>th</sup> rollout was a mess. No one, including the DOL, seems to understand what this quagmire of a regulation actually does. One thing is clear; it is not intended to help the average investor. Based on the initial dealings with the rule since June 9<sup>th</sup>, my partner and I will be much less inclined to work with smaller sized account holders. The DOL fiduciary rule has added significant amounts of time to the processing of new accounts and servicing existing accounts. So, yes, this rule should be delayed if for no other reason than to streamline the rule and make it more workable for advisors and more useful to our clients.

However, it is my opinion that this rule should be scrapped altogether. The DOL may had had the legal right to issue the rule, but it doesn't seem to have the technical expertise to craft the rule properly, doesn't have the actual experience oversight (like say the SEC) or the enforcement personnel to carry out the rule. From this side of the table this rule has made a complex regulatory environment totally incomprehensible. Does anyone at the DOL think adding this rule has made the investing environment clearer for the average American? We already have the SEC, FINRA, state security administrators and state insurance commissioners as overseers. What has the DOL rule added to make this regulatory web easier for advisors to navigate and for the average American to understand?

As for the additional questions here are some thoughts on a few of those:

Q3: Short answer: unknown at this time.

Q4 and 5: Here is the crux of the matter...should IRA transfers and rollovers be treated differently than every other registration? No...absolutely not. All advisors should put their clients interest above their own on all registrations...not just IRAs and not just on accounts where we can charge a fee vs getting paid a commission. The DOL can't do this...only the SEC can. The SEC already has a regulatory framework in place (1940 Act).

The last study I read showed 82% of people who left a job moved their 401k. Many of these folks don't use an advisor. Why do they move their money? For the same reasons that advisors suggest: namely control and flexibility. In other words, the natural tendency of employees is to move money out of an old 401k. They move out of the 401k for control and flexibility which are the same reasons why a professional advisor recommends leaving the 401k. The professional advisor brings to the table additional value via through the availability of financial planning, money coaching or on call financial advice that don't involve 401ks, IRAs or investing.

Q11. Here the DOL's question is backwards. The DOL should never have put forth this rule. The SEC and the other pertinent SROs should have. The right and proper thing to do is for the DOL to scrap this rule and allow the SEC to create a more appropriate rule based on the 40 Act...a rule that covers ALL account registrations...a rule that covers ALL advisors.

Q 14: I honestly can't believe I read this. Recommending that folks put more into their IRA or 401k isn't "advice" any more than a driving instructor telling a student to step on the brake as they approach a red light is "advice".

Q15: Why would a bank employee selling CDs for IRA's not come under this rule? They are getting paid to sell the CD, they are probably getting excess compensation in the form of bonuses, day's off or prizes for selling a certain number of cds or hitting certain dollar targets. Are these reasonable compensation methods? Is the recommendation appropriate for the customer's need or based on any discovery at all? In the DOL's view, why would a bank IRA be different from an investment IRA? The same logic holds true for the sellers of "self directed IRAs" that invest in real estate. The definition of an IRA is not limited to accounts that hold stocks, bonds, mutual funds, etfs or annuities.

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