August 17, 2017

Office of Exemption Determinations
Employee Benefits Security Administration
Attention: D-11933
U.S. Department of Labor
200 Constitution Avenue N.W., Suite 400
Washington, DC 20210

Re: RIN 1210-AB82

Dear Ladies & Gentlemen,

Thank you for the opportunity to offer my comments on the DOL fiduciary rule. The DOL, the SEC, the financial service companies, and their financial advisors, and most important, the investing public, unanimously agree that advisors should always place their clients' interests first.

However well intended, this overly complex rule, with its unintended consequences may actually do more harm than good to the investing public that it is intended to protect. It is encouraging to see the DOL acknowledge this with their previous and current requests for information (RFI). I have read the previous 1554 comments, as well as the current 614 comments, on the DOL website so that I could better understand the varying opinions, facts and feelings (both pro & con) about the rule. I will focus on RFI 16, reference the grandfathering provision, as I feel that RFIs 1-15 and 17-18 have been thoroughly addressed by individuals, advisors and the industry. The DOL has asked the industry to what extent have you used this provision, how has it impacted investors and what could we do to make it better.

I have been a financial advisor for nearly 18 years, spanning both the 2000-2002 Dotcom bubble and the 2007-2009 great recession. My assistant and I serve approximately 550 families with average assets of $284,000. Our clients include retired investors living on their assets, working couples and individuals saving for retirement, small business owners and the younger generations just starting to save. These are middle class Americans at various stages of life who all seek to secure a solid financial foundation for their families. They are buy-and-hold, long-term, serious investors who are attracted to our firm's conservative investing philosophy, that "frequent trading" benefits the Investment firm far more than the investor.

Since 2008, when fee-based advisory accounts were first made available at our firm, clients have had the choice of how to pay for our advice and service. They may pay on a transaction (commission basis) or a fee (now DOL compliant) basis. When shown the significantly higher cost of the fee-based option over 10, 20, 30 or more years, clients almost always choose the less expensive commission-based approach which is best suited for a long-term buy-and-hold

investment philosophy. Our firm employs an Investment Policy Committee firm-wide to perform rigorous due diligence and vetting of the products we offer. And, we disclose and explain the costs for both approaches. Regardless of our clients' preference, we strive to provide the highest level of unbiased advice and service.

As of the initial DOL implementation on June 9, 2017, all of our clients chose to have their qualified accounts "grandfathered". As of today, not one client has chosen to move from their grandfathered account to a fee (DOL compliant) based account. However, they are extremely upset that they can no longer add to their existing grandfathered account at anytime as they could prior to June 9, 2017. Additions are allowed only if a systematic amount and time was established prior to June 9, 2017. Clients cannot change the date their addition comes into the account, they cannot increase or decrease the amount, they cannot stop, then restart again, nor can they change the investment they are purchasing. Clients find these unnecessary restrictions to be totally impractical and a gross overreach by this government rule that was supposed to protect their interests in their self-directed retirement accounts.

A most significant unintended consequence of this provision that I have not seen addressed in any of the 2168 submitted comments, is the fact that a surviving beneficiary (spouse, child or non-spouse) cannot transfer the decedent's grandfathered account into their own grandfathered account (in the case of a surviving spouse) or open another grandfathered account for a non-spouse beneficiary. Prior to June 9, 2017, the process has always been to transfer decedent assets that have already been paid for in-kind to each beneficiary with no added costs. Now, during one of the most stressful, emotional and vulnerable times in a beneficiary's life, the loss of a loved one, we are forcing the sale of those "already paid for and most often long held assets" in order to open a DOL compliant, fee-based, qualified account. Having a rule that forces this complex, inefficient and costly process on any beneficiary just after the loss of a loved one, and especially those who may have no investment experience, is flat out wrong.

As I have addressed these issues with my clients, they have expressed themselves with frustration, confusion and downright bewilderment. These are just a few of the comments I have heard:

"That is stupid."

"This absolutely makes no sense."

"Who thought up this stuff?"

"This defies common sense."

"This is borderline criminal."

These are my clients' comments, not mine; but I must admit that I totally agree.

In conclusion, myself and the vast majority of financial advisors deeply care for the families we serve and we always place their interests above our own. Like any other profession, there are some who do not live up to the high standards of their profession and oversight should be rigorous and discipline swift and harsh. We feel the laws are already on the books to deal with these folks who do not deserve to work with Americans' hard earned money. However, please, do not destroy the great relationships and trust that have been established over the years between us honest advisors and our clients.

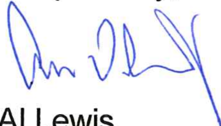
This rule harms our clients:

- by increasing the complexity of their retirement accounts;
- by limiting their choices on how to pay for our advice;
- by limiting their choice of investments;
- by harming their beneficiaries when they are the most vulnerable;
- by increasing their cost for advice and service;
- by making it far more inefficient and time consuming for their financial advisor and assistant to provide the high level of advice and service they deserve and are currently accustomed to.

I propose you do not apply the grandfathering provision until the applicability date of the rule. Removing these impractical restrictions in their entirety would restore the intent of the original self-directed retirement account for the investing public as established by Congress in 1974. I feel strongly this needs to be done ASAP to reduce the chaos, confusion and harm that is currently ongoing since June 9, 2017.

We need to get this rule right or the consequences will be dire for the investing public; we cannot fail. Again, thank you for the opportunity to express my views and the views of many of my clients. I would be honored if provided the opportunity to meet with Secretary Acosta and other key decision makers to express these views in person. Please do not hesitate to contact me.

Respectfully,



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