

**Sent:** Monday, September 14, 2015 2:57 PM  
**To:** michelle.singletary@washpost.com; EBSA, E-ORI - EBSA  
**Subject:** RIN 1210-AB32

Labor Secretary Thomas Perez & Michelle Singletary,

A client emailed us your article, "Financial advisers aren't always looking out for investors' best interest" and although I thoroughly enjoyed and appreciated it's message I thought there were still some key components left out that would be worth mentioning for the benefit of consumers in follow up pieces.

I'm an advisor \_\_\_\_\_, an RIA in \_\_\_\_\_, which is a Fee-Only and Fiduciary-Only™ financial planning and wealth management firm with NO account minimums.

We are only paid by our clients, we maintain the fiduciary duty at all times and we make our services accessible to people of all income levels and financial situations - From those starting out with no assets up to established high net worth individuals, families and organizations.)

#### Fee-Only

We feel strongly that everyone is better served by someone who is only paid by them (receiving no compensation, commissions, referral fees or sales charges of any kind from any 3rd parties ever) and that all fees be disclosed upfront and transparent always. **The Fee-Only model makes this possible.**

#### Fiduciary-Only™

We created the Fiduciary-Only™ language to make a clear distinction between us, who always act in our clients best interests, and those, the vast majority of advisors, who operate as "part-time" fiduciaries - sometimes acting in a fiduciary capacity while at other times opting out of the fiduciary duty to sell products under the suitability standard (for fees from 3rd parties whose funds or products they sell.)

People assume someone acting as a fiduciary at one point in time is always acting as a fiduciary but this is **rarely** the case. **Not all fiduciaries are created equal!** The culprit? Dual Registration.

#### Fee-Based ≠ Fee-Only

A dually registered (or Fee-Based) advisor is someone that is registered as an investment advisor (typically with the SEC) as well as a Broker/Dealer with FINRA. The same individual can collect a management fee (as an investment advisor acting as a fiduciary) as well as collect product/fund fees (as a broker acting under the suitability standard) for the products/funds they recommend. One minute your best interest can be served (the advisor builds a plan as a fiduciary for example) and the next minute your being sold products with your best interests thrown out the window (the advisor drops the fiduciary duty while recommending how to execute the plan so that they can sell you costly products that are both compliant and suitable BUT NOT in your best interest.) The clients are rarely if ever informed when the fiduciary obligation is no longer a

part of the process.

This creates a significant conflict of interest because it is rarely in the client's best interest to be recommended a suitable product that pays a kickback (commission, sales load, mutual fund 12b1, etc.) to the advisor. **Typically, the higher the fees the products or funds contain (negative for the client) the higher the payout to the advisor selling them (positive for the advisor.) The industry fights back against the fiduciary duty out of it's own self-interest - Not the best-interests of the people it serves.**

**In closing:**

- **If you are not the only one paying your advisor, they are NOT required to work as a fiduciary at all times.**
- **If your advisor is licensed to sell securities through any broker-dealers or insurance companies they are NOT required to work as a fiduciary at all times.**
- **If you want the best advice you can possible get, make sure your interests are aligned with your advisors' interest by confirming that they only work for you (always maintain a fiduciary duty to you) and are only paid by you (never receive compensation of any kind from any third parties ever.) with transparent fees disclosed upfront.**

Thanks for reading. I understand this is not the most well articulated summary of thoughts but hopefully my fragmented points are understood and can be used to further help those looking for advise in this sea of confusion.

If you'd like to discuss further or are looking for commentary from someone in the industry, typically in contrast to most, on these issues - please do reach out.

All my best,

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