

From: Stuart Bronson [mailto:SBronson@davistowle.com]
Sent: Monday, June 22, 2015 3:36 PM
To: EBSA, E-ORI - EBSA
Subject: 1210-AB32

I am an investment advisor who counsels regular Americans on their retirement planning needs. I have the Accredited Investment Fiduciary designation.

Your fiduciary stance is completely off base with the logic of what you are trying to accomplish is tragically flawed. 40,000 Americans die on our roads each year. Does this make cars evil? Are we to take cars away from everyone to save 40,000 lives? Of course not. Yet this is the thrust of your proposal. In fact, your proposal will do more harm to a populace that is in dire need of sound advice.

I already treat my clients to the highest standard of care. I provide them disclosure upon disclosure. None of them read any of it because it is a tome that could cure insomnia. Do you think for a minute that doubling the disclosures is going to make Americans safer from unscrupulous people? Absolutely not – we already crossed the tipping point of disclosures being helpful instead of harmful.

Do not handcuff the good guys doing meaningful good for of average Americans who already desperately need competent help. Do not spin your anecdotal evidence and stories of con artists as truth. My clients are completely uninterested in learning the ins and outs of investing on their own and they surely do not want the government making these decisions for them.

Instead, why don't you create differing levels of stepped up advice – from a stock broker looking to sell stock without knowing anything about his customer all the way up to a true fiduciary acting in the client's best interest. A one paragraph disclosure could be given to the client/customer which simply states the level of service that the advisor performs:

"I am a stock broker. I make no warranty that the stocks that I sell you are in your best financial interest. I earn a commission on the sale of stock."

"I am an agent of XYZ insurance company. I must meet annual quotas for proprietary products in order to keep my agent's contract and I do that with commission based products."

"I am an employee of ABC brokerage firm. I will supply you with advice and products that are suitable for your circumstances. I look to my firm's products first to satisfy your needs which may be commission based or fee based."

"I am a fiduciary advisor who is required to put your interests ahead of my own or my firm's. I must provide a due diligence of care recognized by industry standards whenever I render advice or product recommendations to you. I must disclose all conflicts of interest to you. I am compensated through fee based planning and financial management. Occasionally I recommend a commission based product where there is not a suitable fee based alternative and I will inform you when that is the case."

You get the idea. . . Something along these lines should not be too difficult.

Sorry, guys, but your fiduciary proposal borders on the absurd (and I am not trying to insult you).

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