

PUBLIC SUBMISSION

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Definition of the Term ‘‘Fiduciary’’; Conflict of Interest Rule—Retirement Investment Advice; Notice of proposed rulemaking and withdrawal of previous proposed rule.

Comment On: EBSA-2010-0050-0204

Definition of the Term Fiduciary; Conflict of Interest Rule-Retirement Investment Advice

Document: EBSA-2010-0050-DRAFT-2509

Comment on FR Doc # 2015-08831

Submitter Information

Name: Anonymous Anonymous

General Comment

Date: July 16, 2015

Subject: RIN 1210-AB32

From: Keith Albritton, CEO, Allen and Company

To: Office of Regulations and Interpretations, EBSA

US Department of Labor

I am writing to comment on the proposed fiduciary rule and the impact on investors and investment firms advising the investing public.

We fully support the comments submitted by the Securities Industry and Financial Markets Association. We are confident the DOL proposal, if enacted, will hinder, if not even undermine the efforts of American investors and their advisors to save and invest properly for their future. We already have a retirement crisis brewing for retirees in this country. Over regulation such as what is in this proposed adds to the already difficult conditions investors face.

The Department's rule is overbroad and its exemptions are burdensome, expensive and inconsistent with best execution and efficient trading and will take away participant choice by substituting the DOL's judgment on what securities they can invest in. Our clients will be adversely impacted, in large measure by the restrictions placed on them as to account type, product selection and client choice of payment for advice. The proposal speaks lengthily about fees and does not address the idea of investor behavior. The limits of choice investors will be exposed to will cause even additional harm due to the well-studied field of behavioral finance

and how investors for decades follow the herd and this is very detrimental to their long term success. It has been proven, this is the most important hurdle for investors to climb over, their own bad choices.

All broker-dealers, and small broker-dealers in particular, who have clearing agreements will bear substantial cost increases in the conversion to new systems, the effect of which would result in diminished competition and further consolidation of the industry. In any case, even with unlimited resources, eight months would not be enough time to accomplish the system changes.

Our firm has been in the business of providing investment advice to clients since 1932. Bar none, this would be the most significant step in the wrong direction and most detrimental legislation to investors in our firm's history. Investors need trusted, competent transparent advice, yet this process will drive this type of advice out of the retirement market in the face of where the advice is needed most.

Sincerely,

Keith Albritton, President/CEO
Allen and Company