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Sent: Tuesday, July 21, 2015 4:58 PM
To: EBSA, E-ORI - EBSA
Cc: Sheryl Garrett
Subject: RIN 1210-AB32

I'm writing to express my support for the DOL rule making proposal. The Committee for The Fiduciary Standard and Professor Ron Rhoades drafted comment letters regarding the details of the DOL fiduciary rule making proposal and I share their viewpoints. But, I also want to also share my personal perspective.

The current rules governing retirement plan assets were written 40 years ago and they're not kept pace with the changing ways Americans now save and invest for retirement. Pension plans have been replaced by IRAs and 401(k)'s, which didn't exist 40 years ago. As a result, most workers and retirees make all the decisions about their retirement plan and investments. These options are critically important and often confusing. Those saving for retirement, or getting ready to make an important rollover decision, need *objective* advice more than ever.

Unless the DOL rule is updated and broadened as proposed, many workers and retirees will continue to be vulnerable to conflicted advice from brokers who are not legally obligated to put their clients' best interest first.

In a survey conducted by the Financial Planning Coalition/CFA/NASAA showed that 97% of investors agree that "when you receive investment advice from a financial professional, the person providing the advice should put your interests ahead of theirs..."

But that's not the law of the land – and the American public doesn't know this!

Americans pay a heavy price – amounting to tens to hundreds of thousands of dollars in lost retirement income – as a consequence of the status quo, which permits so called "trusted" financial advisors to profit at their clients' expense.

I've seen this time and again in my 28 years in this business. This first 18 years I worked as a personal financial advisor, first as a registered representative and eventually as an hourly, fee-

only advisor. Throughout most of this time I served Middle Income individual and families. My primary activity over the last 15 years has been spent consulting and coaching other financial planners and advisors who serve middle market clients. Over the last 10 years I've also served as a litigation consultant and expert witness on cases involving brokers and advisors who allegedly rendered inappropriate advice to their clients.

I've witnessed cases involving dozens of individuals who were inappropriately "advised" to take an early retirement rollover from their company sponsored pension plan and invest the funds with someone they believed to be a competent and trusted advisor. Now these individuals are in their 60's and financially devastated. They entrusted their entire retirement nest egg to "advisors" that did not put their best interest first.

Virtually every financial advisor I've ever spoken with (thousands) has witnessed cases of financial abuse at least once if not dozens of times. Sometime the "advice" rendered has caused devastating harm, even if determined "Suitable", and other time the harm is much less, and often goes undetected by the investor.

Most financial advisors do have their client's best interests in mind, however most are not legally obligated to put their client's best interests first. Many of these advisors are ready, willing and able to serve as fiduciary advisors, even with those individuals of modest means, but often their companies do not support this change, as it will impact the company's bottom line. If certain "advisors" and their companies don't want to be held to the fiduciary standard, they must stop holding themselves out as advisors!

One very important thing I've learned is that the "buck stops" with the fiduciary. Not only is a fiduciary required to put their client's best interests first, in the event of a complaint, it's the fiduciary's obligation to prove they acted in their client's best interest. With brokers the worker or retiree who entrusted their nest egg to this individual or firm must prove that they were in some way harmed by the broker. These individuals didn't know who to turn to initially when they needed advice and we're expecting them to be able to recognize when their "trusted" broker didn't act in their best interest? This has to change!

Workers and retirees need access to competent, objective financial advice and they need to be able to trust and rely upon that advice. This is the basis of fiduciary duty.

I believe that anyone who holds themselves out as an advisor (e.g. renders advice) should be held to the fiduciary standard, and thank goodness the proposed law also includes advice on rollovers from qualified plans. That is what the public needs, deserves and expects!

Thank you,

Sheryl Garrett, CFP[®], AIF[®]
Founder



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