

4 Kimborough St.
Greenville, SC 29607
August 20, 2015

Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Conflict of Interest Rule
Room N-5655, U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Re: Proposed Conflict of Interest Rule

The requirement to put clients' best interests ahead of their own is already in place in most broker-dealers in the country. It is enforceable and enforced. I see nothing in the proposed Rule that would cause better compliance with this standard principle.


I do see considerable additional administration and re-configuring of systems and procedures in broker-dealer firms that will be largely useless activity with considerable costs. It will also bring us bigger government and more grinding wasteful bureaucracy. And it will fill courtrooms with lawyers who convince their clients that this rule enables them to sue because investments recommended by their advisor lost value.

There is no such thing as a riskless investment. Putting onerous regulations in place that seem to insure investors that their investments will not lose value is folly. The suitability rule calls for advice that matches the client's risk tolerance with the risk of the investment. There are good ways to measure each. Further requirements to act in the client's best interest are not needed.

There is plenty of information available to the government about how broker-dealer firms and their Registered Representatives are treating their clients. Government could do a useful service by providing better, more user-friendly systems and procedures for investors to learn which advisors are putting their clients' interests first and which are not. Government could also help educate investors on suitable investments and suitable advisors. I would much prefer to see money spent by government on these kinds of educational programs rather than the proposed Conflict of Interest Rule.

Advisors with Edward Jones Investments have been advising my wife and me on our investments for 15 years. The investments weathered the 'financial crisis' very well. We retired in 2009, and our investments have done well since then, providing the income we need to supplement Social Security and some other sources. I am quite certain that Edward Jones has systems, procedures, training, supervision, etc. in place to insure that their advisors place the interests of their clients above their own. We don't need or want the proposed Conflict of Interest Rule.

Sincerely,

A handwritten signature in black ink that reads "Richard A. Smith". The signature is written in a cursive style with a large initial "R" and a stylized "S".

Richard A. Smith

c: Congressman Trey Gowdy
Senator Lindsay Graham
Senator Tim Scott