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Sent: Monday, September 14, 2015 1:17 PM
To: EBSA, E-ORI - EBSA
Cc: colorofmoney@wahpost.com
Subject: Re:RIN1210-AB32

Hi,

Read the article by Michelle Singletary in the Dallas paper about 'Advisers should put you first'.
Dated 9/13/2015.

I have had an advisor for about 10 years. He sold me a bunch of variable annuities and a few private REIT's. I knew he got paid by selling these to me. The trick is did I trust him to make the right decisions for me. In most cases I'm ok with what he did, knowing I will never run out of money. Yes, I understand I paid for that but as he told me 'if you insure your house why should you not insure your investments'.

The real hang up I have with advisors is the set up for brokerage accounts. My guy charges anywhere from 1.15 to 1.25 to 'manage' my account. He gets paid regardless if I make money or not. That's on top of the .5 to 1.0 plus the funds charge. So on average, I don't make any money until I have overcome about 2-3% total overhead. That doesn't seem right to me. If I lose money in the market he should lose money also, or at least not get his fee. There should at least be a sliding scale. He gets paid on how well I do. If I make zero or negative then he should not get the 'management fee'. If I make 5%, then he should get his management fee. If I make more, then he should get more. It should be a sliding scale he gets and not automatic regardless what I get.

For that reason, I do all my stock, mutual fund investing with Fidelity with minimum overhead charges. He says I should be happy to pay him for investment advice and I say that is fine as long as I make money. He says he can't guarantee that (which I know), so I moved my brokerage account to Fidelity (which I have had on the side of many years), and if I lose money it's now my fault, period.

He's not happy and always tries to talk me into moving that money back to him but I will never do that.

Would be nice if the 'model' was changed but I imagine that will never happen.

Regards,

Ron Highfill