

March 13, 2017

RE: RIN 1210-AB79 -- Letter in Support of the 60 day Delay of the DOL Fiduciary Rule

To the US Department of Labor:

My name is Michael Graef CFP® I run an independent practice of 300 to 350 client in the San Francisco Bay area. I pride myself in not turning away any clients and my book has widows, and single moms with under \$100, to much larger clients. I teach everything from budgeting to estate planning and everything in between.

It has always been my practice to put the best interests of the client at the forefront, and will always continue to do so. I do not believe that the current Investment Advice Fiduciary Rule is the best rule, or the best form, to achieve that objective.

The purpose of this letter is to express support for the 60-day delay in the implementation of the Investment Advice Fiduciary Rule. The Department of Labor has been requested by President Trump to evaluate three points relating to the rule as written. These points are:

- Whether the anticipated applicability of the final rule has harmed or is likely to harm investors due to a reduction of Americans' access to certain retirement savings offerings, retirement product structures, retirement savings information, or related financial advice;
- Whether the anticipated applicability of the final rule has resulted in dislocations or disruptions within the retirement services industry that may adversely affect investors or retirees; and
- Whether the final rule is likely to cause an increase in litigation, and an increase in the pieces that investors and retirees must pay to gain access to retirement services.

I may produce a second comment letter that will address those concerns and will go into them in some detail. I am confident that at the end of the day, the Department will likely conclude that the rule, as currently written, would...

- harm investors due to a reduction of Americans' access to certain retirement savings offerings, retirement product structures, retirement savings information, or related financial advice;
- result in dislocations or disruptions within the retirement services industry that may adversely affect investors or retirees; and

- cause an increase in litigation, and an increase in the pieces that investors and retirees must pay to gain access to retirement services.

The Investment Advice Fiduciary Rule is a very broad rule that affect virtually every aspect of the financial services industry. There have been significant changes at the industry level, and I have felt those changes in my practice and by my clients.

I believe it highly likely that after the conclusion of the investigation requested by President Trump, the Department of Labor will conclude that the rule will need to be amended or terminated. If we accept this, it makes no sense to implement the rule now only to have the rule changed or terminated later. This would result in additional disruption to the industry, and potential harm to our clients.

Additionally, from an industry standpoint, the technology is in the process of flux, with the technology vendors seeking to change their software to be consistent with the requirements of the rule. As the rule is being re-evaluated, all of the technology will also need to be re-evaluated, and any changes would also create disruption in the industry, which again would be a harm to investors.

The least disruptive mechanism of conducting the investigation that was requested by President Trump would be for the rule implementation to be delayed until the conclusion of the investigation and a determination is made by the Department of Labor as to its course of action with respect to the rule. Any other path would involve additional disruption in the industry, and this disruption would ultimately harm investors.

It is for these reasons that I respectfully request that the implementation of the Investment Advice Fiduciary Rule be delayed in accordance with the proposed rule recently issued by the Department of Labor.

Thank you for hearing the voice of advisors who are serving the needs of regular Americans.

Michael Graef CFP®
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