

# PUBLIC SUBMISSION

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**Docket:** EBSA-2010-0050

Definition of the Term “Fiduciary”; Conflict of Interest Rule—Retirement Investment Advice

**Comment On:** EBSA-2010-0050-3491

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

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## Submitter Information

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## General Comment

Hello,

This is an important non biased personal point of view.

I'm a 23 year financial advisor that doesn't do any managed accounts only loaded reduced breakpoint upfront A shares of which I then I get a small 12b-1 trail going forward that I survive on and I truly believe this new DOL rule was needed to eliminate 12b-1 fees in WRAP accounts because only did only 15% of clients actually know they were even paying an extra .25 basis points they are already paying a lot more over time with a managed account at say 1.5% WRAP annually plus total fund expenses compared to say a 2.5% reduced breakpoint and no annual WRAP fee. This should have been done when WRAP and managed accounts were created years ago!

I have even run into clients who didn't even know they were paying 1.5% in annual WRAP fees and is the major issue that needs to be done. Most of the other stuff is needed but there is a lot of overkill in the whole change too.

Not too many of us old school reduced loaded breakpoint guys around and we survive by getting a small 12b-1 trail when they aren't attached to a annual WRAP fee.

I ran the numbers one time on a \$500K portfolio with 1.5 WRAP compared to no WRAP it costs the clients about \$100K in extra fees than say just paying a reduced load up front and being done including total fund expenses.

Thank you for your consideration.

Tom