J. Michael Stevens, CLU, ChFC

6066 South 2400 East
PO Box 150505
Ogden, UT 84415

Bus: (801) 476-1776
Fax: (801) 476-1554
Email: mikestevens@htk.com

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Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

RE: Comments: Fill No. 4-606

Gentlemen,

I have held an insurance license since 1972. I have held a FINRA Series 7 license since 1974. Money planning has been my profession for 38 years using insurance, mutual funds, some "brokerage accounts", and other financial planning products. I have some comments and concerns about the proposed regulations.

1) **You can not legislate or regulate moral behavior**. From the beginning of time, Governments and people have attempted to "make" people treat others fairly and honorably. It does not work. Such behavior is taught and internalized by each individual. So why do we (government and people) attempt to legislate it.

2) **The natural man is an enemy to himself**. Without some regulation (guidelines and limits) many will allow greed to seize the day to the determent of society. Some regulation and oversight is absolutely necessary and appropriate.

3) **The fiduciary standard is the highest of standards but is unenforceable.** "One cannot legislate morals." The fiduciary standard is encumbered by the word "best". "Best" changes from day to day—moment to moment. While "best" should be the standard espoused by us all, "best" cannot be regulated.

4) **The suitability standard is less than ideal but it can be regulated.** The Securities and Exchange Commission (SEC) is in the regulation and oversight business. It is not in the "creating moral behavior by rule" business. A prudent man must know "creating moral behavior by rule" is not measurable and is flawed by nature. The SEC should set measurable standards of performance. Suitability, while not perfect, may

be the better standard—not because it is the “best” but because it can be measured.

5) **Is it a “conflict of interest” or a “confluence of interest”?** Some have suggested advice to a consumer and compensation from a vendor is a “conflict of interest” with the best interests of the consumer. **May I suggest advice to a consumer and compensation from a vendor is a “confluence of interest”.** In almost all cases the relationship between a financial professional and the consumer is a “win, win” arrangement under current regulation. Additionally, contrary to what some would suggest most consumers will not pay for financial advice. I have asked many of my clients, “In lieu of vendor compensation (commission), would you pay me a fee to advise you on your financial decisions?” Almost to a person the answer was, “Mike, you are a nice guy, but I’m I not writing you a check for service.” Should the compensation structure of our industry be mandatorily inverted, I would be out of business and the majority of my clients, friends, and neighbors would be without knowledgeable personal advice. They will not pay directly for it.

Some regulation is necessary. Unenforceable regulation is expensive. I trust you will not punish the prudent financial professional and American consumer with regulation that is unenforceable and burdensome to both.

Warmest Regards,

J. Michael Stevens, CLU, ChFC