



AJF Financial Services, Inc.

Abundance for all

708 Third Avenue
Suite 2011
New York, NY 10017
(212) 779-0789
(212) 779-0851

June 3, 2016

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Public Comment on modernization of Securities and Exchange Commission's Regulation S-K

To Whom It May Concern:

My name is Andrew Friedman; I am President and Founder of AJF Financial Services Inc. AJF Financial Services is an independent Registered Investment Advisor that manages socially responsible/ESG screened investment strategies on behalf of individuals, small businesses and non-profit institutions. I am also a Sustainable Investment Professional certified by Concordia University in Montreal.

I am writing this letter to provide commentary on modernization of The SEC's Regulation S-K as it pertains to the disclosure of sustainability matters.

As a financial advisor who's been a part of the financial services industry for more than three decades, it is my candid assessment there's a crisis of trust that exists between the investing public and financial advisors/financial services industry as a whole. This crisis of trust is a function of the investing public's perceived lack of ethics/integrity within the industry and the manner which we, as trusted advisors and fiduciaries haven't lived up to those standards consistently.

I can tell you from the overwhelmingly positive feedback that I have received from my clients that there is a better way to heal the divide between the investing public, those who have left the Investing world, and the relationship with Securities Industry in a more powerful, trusting way. The first thing we need to acknowledge is that we have been less than stellar as corporate citizens in the custodianship of our planet. Numerous mistakes and/or bad decisions have been made in the name of corporate profits. Our clients are shareholders of these corporations. and endeavor to make money as owners of those corporations; but the costs of those bad decisions/mistakes have been staggering and shattered the confidence of all stakeholders; shareholders, employees, communities, and the environmental stewards alike.

As owners of corporations our clients are best empowered by relevant and complete information about how their money is invested. We use the term sustainable to describe the processes and the effects of those processes within the business, industry, and the entire value chain which includes all stakeholders. We believe that while there are some sustainable criteria inherent for all businesses, there are certain sustainable criteria unique to different industries. Not all sustainability data for one industry is relevant to all others. The data that companies provide needs to be relevant in order to make good investment decisions.

The data provided by companies/information providers needs to be complete and comprehensive in order to give our clients A) the ability to make informed investment decisions and B) enable clients to actively participate as engaged owners. Our ability to understand and contextualize sustainability data is critical to any analysis of the risks that companies take; the best way for us to review this data is to refer to industry standards utilizing a uniform relevant standard of disclosure that better serves the interest of all stakeholders. Boiler plate Disclosure will not suffice, nor is it trustworthy.

We believe the Financial Services industry as a whole is failing the investing public because we aren't doing enough proactively to communicate the risks embedded within a company's practices/policies/ethics. Much of this crisis of trust can be attributed to lax disclosure, some is due to some advisors being unaware of what to look for, and much more to other advisors just not wanting to do anything different than business as usual. The research team at Morningstar said it best to me "which comes first the data or the demand for the data?". This says two things to me. First, there is still a considerable amount of ignorance within the financial services industry on what Sustainability means and the value proposition it offers to investors.

The second thing I see is that a structure needs to be in place that addresses the demand for the supply of relevant and comprehensive data. At the end of the day it is the individual investor's trust that is sacrificed by the lack of relevant and comprehensive sustainability data. The SEC has the power to enforce the communication of this data to the public and the structure to make it useful.

Any activity that endeavors to frame better conversations around risk and makes the investing public more empowered/informed are ones that we as an industry should embrace on our client's behalf. Unifying ESG related data as it pertains to SEC related disclosure harms no one and the explicit benefits to the investing public far exceeds the implicit cost to the company/registrant.

We thank you for the opportunity to go on record with our commentary around the modernization of Regulation S-K interested in contributing to this discussion to ensure the interests of the investing public are looked out for in an effort to heal the fissure that has emerged between the financial services industry and our clients at large.



Andrew Friedman
President and Founder

AJF Financial Services, Inc
708 Third Avenue, Suite 2011
New York, NY 10017

Phone

fax