

July 19, 2018

Dear Mr. Fields:

As an independent financial advisor, I greatly support the SEC's goals in proposing the new Regulation Best Interest (Reg BI). Reg BI establishes a "best interest" standard of conduct applicable to me and my firm when I make recommendations to my clients. In other words, I may not place my interests or the interests of my firm ahead of the interest of my retail clients. I believe that now, even without a legal or statutory best interest standard of care, I make recommendations to my client with their best interests in mind. While I am a professional and expect to get paid for my services, as any professional does, my recommendations are not currently motivated by my own financial gain and this will continue whether Reg BI becomes a final rule or not. Therefore, I support the SEC's goals and appreciate the careful thought that went into formulating the proposal.

I also appreciate the SEC's responsiveness to previous industry suggestions during the initial request for information by Chairman Clayton. I value the opportunity to submit these comments regarding the Reg BI and stand ready to assist the SEC in determining the best way for me to assist my clients in understanding the various ways I may work with them and that I will make recommendations in their best interest.

In particular, I encourage the SEC to consider the following:

**Customer Relationship Summary Form:** Reg BI would require me to present my clients with a Customer Relationship Summary (CRS) at the time of my recommendation. I appreciate the SEC's efforts to boil down difficult to understand information for clients in a short document that will help facilitate a conversation between me and my clients. Reg BI would require the CRS to contain information on costs and fees, the different ways my client can work with me, the duties I owe to them, and any potentially existing conflicts of interest. I urge the SEC to conduct additional research into the types of information clients want and need at that point in their relationship with a financial advisor. I also encourage the SEC to develop a CRS template that my firm can use to help me create a useful and informative CRS that provides clients accurate and helpful information. To the extent the SEC creates a template form for firms to use, this will cut back on potential investor confusion and will keep firms and their legal counsels from adding too much legalese to the document, which would interfere with my ability to use the form to have a meaningful conversation with my client.

**Titling:** The Reg BI proposal would not allow an individual who is only registered with a broker-dealer and not also with a registered investment advisor to use the term "advisor" or "adviser." As a dually registered professional, registered both with a broker-dealer and a registered investment advisor, and as a professional who holds and maintains the necessary licenses and qualifications to provide both types of services, I support this restriction. Too often I see individuals who do not have the appropriate qualifications and training refer to themselves as "advisor" or a variation thereof. As someone who is subject to regulation by both FINRA and the SEC and who must maintain my credentials through following the rules, completing continuing education requirements, and attending an annual compliance meeting, I feel strongly that those individuals who are not subject to the same rules should not represent themselves with the term "advisor." I urge the SEC to implement this portion of Reg BI as proposed and allow dually registered individuals to continue to use the term.

I am sure I speak for any dual registered advisor in that the time we invest in our careers and licensing procedures ensures we are familiar with the laws and how to act fiducially when it comes to our client's investment needs and goals. Nothing upsets the balance of right vs. wrong more when we hear of insurance agents, registered Rep's (FINRA only), retail stock brokers, bank employees, and radio/TV personalities who all emit "advice" that is far from what being a fiduciary truthfully means when it comes to a client's finances. I am strongly encouraging the SEC

to make it painfully illegal for those that use the title, whether in printed or verbal communication, Advisor or Adviser unless such individuals are licensed to do so.

**Investor Access to Products and Services:** Lastly, I urge the SEC to pay close attention to the cost-benefit analysis conducted with regard to Reg BI and ensure that any additional regulatory requirements are tailored closely to their intended purpose and do not result in additional requirements that will ultimately limit my ability to work with my clients and will negatively impact their access to a variety of products and services I can recommend to help meet their needs.

According to an article that appeared in a well-known financial news magazine in 2016, the implementation of the DOL Fiduciary Rule(s) would cost the brokerage industry upwards of 11 Billion Dollars in lost revenue and administration costs. I have looked for information on what the final cost(s) were up to June of this year when the rule was officially removed from the “rule books” but can’t seem to find a source that clearly states the costs up to that point. I know those costs are continually climbing because even from my small window I see what my BD is having to do to remove certain things that they put into place to make sure Advisors complied. Whatever the number, I am sure it is massive and, in my opinion, was a gigantic waste of everyone’s dollars. The “Rule” did nothing but instill chaos and confusion on both sides of the financial services industry. For my small practice, I had to pay staff overtime to work through bundles of increased paperwork as well as use my time to make sure the paperwork was filled out properly and that all comparisons of investment products were clearly documented above and beyond (more repetitive on different platforms of software than what was truthfully needed) what I have done in my 20 plus years in this industry. This was wasted money and time that ultimately cost clients in the form of service work (we had to offload work to an internal partner to make sure we stayed at our high level of service standards) but also growth via my firm and our goals. To bigger firms that can afford to spend the dollars on a whim notice there was little effect I am sure but to a small single adviser firm with 3 staff persons, it hindered growth on a very high level and allowed us to fall behind on many levels which we have not fully yet recovered from. I feel we are back to the beginning before the DOL strong armed its way into the financial marketplace with absolutely nothing to show for all the time and money wasted.

The positive in all of this is that the SEC is now going to look at putting into place something that makes sense and is solid and I am all for it.

From what I see, the SEC has done more and is on more of a correct path in the few months of work that they have spent on this vs. years and Billions that the DOL spent (cost) and wobbled through.

I applaud the SEC but urge you to please consider my comments as you continue to develop the Regulation Best Interest proposal.

Sincerely,

Travis A. Morrow