

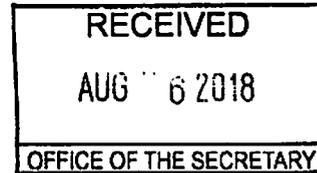
# SOUND INVESTMENTS, INC.

**KENNETH A. GILPIN, PRESIDENT**

**CERTIFIED FINANCIAL PLANNER**

Aug 1st 2018

Brent J. Fields  
Secretary, Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549



**Reference File Number S7-09-18**

Dear Sir

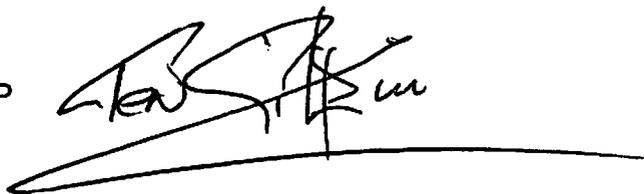
I started in the investment business as a stockbroker in 1980's where major compliance was "Know your Client". Well a lot changed since then,

Please see below comments:

- Fees should be fully disclosed every time they are billed, Period
- Some ADV part 2 describe a fee arrangement where that charge fees and then it usually says something like mutual fund companies may pay fees as well. Even the smartest client would not realize that this refers to backend fees that the investors could not discern. One new client was paying 1/4 of 1% which what the client thought he was paying but the mutual fund was charging 2% and refunding back to broker which the client was not aware of!
- The report says only needs to satisfy duty and after time of service it is apparently no longer required. This appears to be an escape clause.
- Licensing: Currently I believe Lawyers and CPA's are exempt. It takes a lot of skill and experience to do this continuing education and specific training is required.
- Account statements should certainly be available at the time of billing. Not a big problem. I use Ameritrade and Schwab, who provide statements a month.
- For RIA a minimum capital level of \$35,000 should be required and more if a RIA has custody.
- The term advisor refers to someone who makes decisions. Most of the so called advisors use third party money managers and would know how to trade a stock if their life dependent on it. For that matter most of their compliance departments have short list of expensive investments they can recommend to clients. Let's see some disclosure on that.

This is a wonderful business that allows me to help and service the finest group of people in the world, Americans.

Yours Truly,  
Kenneth A Gilpin CFP



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