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# Capital Financial Services, LLC

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Personal Fee-Only Financial Counseling • Investment Management

November 7, 2007

Nancy M. Morris, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090



Re: File Number S7-22-07  
"Interpretive Rule Under the  
Advisers Act Affecting Broker-Dealers"

Dear Ms. Morris:

The proposed rule would have the Advisers Act applicable only to "accounts", thereby permitting "two hats" and switching of hats. The problem is the section which provides that: "A broker or dealer registered with the Commission under Section 15 of the Exchange Act is an investment adviser solely with respect to those **accounts** for which it provides services or receives compensation that subject the broker-dealer to the Advisers Act."

I remember a story from the old limited partnership sales in the 1980's, where a woman in California who sold them, on the witness stand explained to the judge that when she was analyzing her client's situation, she was 'wearing her financial planning hat' and was a fiduciary, but when it came time to sell her products she took off the 'financial planning hat' and put on her 'salesperson hat'. The judge, quite rightly, asked to see these hats, and when the woman confessed that they weren't real the judge wanted to know how the client was supposed to know that his relationship with this woman had changed from 'fiduciary care' to sales prospect.

Our industry has been fighting this type of client abuse and the bad images associated with it for decades, and the SEC is supposed to be HELPING THE CLIENTS, not making it easier for unscrupulous advisers to rip them off! The fiduciary standard needs to be attached to the ADVISER, ALL THE TIME, and not to 'accounts'. Accounts is meaningless; you might as well not have any standard at all.

Sincerely,

A handwritten signature in cursive that reads "William C. Jerome".

William C. Jerome, CFP

WCJ:mtf