Securities America

July 20, 2015

VIA EMAIL

Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Conflict of Interest Rule, Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

RE: Definition of the Term "Fiduciary"; Conflict of Interest Rule – Retirement Investment Advice (RIN 1210-AB32)

Ladies and Gentlemen:

Securities America, Inc. (SAI) is one of the nation's largest independent broker-dealers with more than 2,000 independent advisors and $55 billion in client assets. SAI is committed to the task of providing the service, support and resources to empower its advisors to deliver quality financial counsel and services to their clients. Therefore, SAI welcomes the opportunity to comment on the proposed rule *Definition of the Term "Fiduciary"; Conflict of Interest Rule—Retirement Investment Advice; RIN 1210-AB32* (the "Proposal").

In line with its mission to develop talented, thoughtful and diligent advisors, SAI would be supportive of a carefully-crafted and uniform fiduciary standard applicable to all professionals who provide personalized investment advice to retail clients. However, SAI believes that the regulations defining such a standard should make it easier – and not harder – for investors to receive high-quality, individualized investment advice from their trusted advisors.

After review of the Proposal, it is SAI's opinion that the Proposal would unnecessarily restructure the securities industry, to the extent that it would become harder for advisors to provide the counsel and services that their clients depend upon. In particular, SAI is concerned that certain aspects of the Proposal (for example, the Best Interest Contract Exemption) would be unworkable from a practical perspective and would generate exorbitant compliance costs that inevitably would need to be passed on to investors. Another of SAI's particular concerns is the Proposal's narrow definition of "investment education," which would prohibit the discussion of specific investment options with potential clients. This change would severely limit the ability of advisors to illustrate the different options available to prospective clients from an educational perspective, and would result in the decline of investment knowledge among the public.

The securities industry is already highly and effectively regulated by the SEC, FINRA and state regulators. Moreover, the DOL has stated on several occasions that retail investors are generally well-served by the securities industry. SAI believes that many of the concerns behind the Proposal could be more simply and effectively addressed by improved disclosures to clients regarding the different types of advice and services that are available to them. Among other things, SAI would support an effort to increase disclosures to investors at the point of engagement regarding the standard of care owed by the broker-dealer, the business relationship between client and advisor, and the services to be provided by the advisor. In addition, SAI would support expanded disclosure of additional details via the broker-dealer's website, free brochures, or other cost-effective delivery methods.

Thank you for including SAI's comments in the rulemaking record. Should the Department of Labor require any additional information, please contact Kevin J. Miller at 800-747-6111 extension 1007.

Sincerely,

Kevin J. Miller
Executive Vice President
General Counsel
Securities America, Inc.