

From: < NAME >
Sent: < DATE >
To: NASAA Comments
Subject: Please Adopt Reg BI by Reference

Dear Chair, NASAA BD Section Nix,

We are financial professionals affiliated with LPL Financial who work with retail investors across the country, providing personalized financial guidance and advice to help them achieve their savings goals.

Today, we are writing to share our desire for NASAA to adopt the SEC's Reg BI by reference, preserving a uniform best interest standard.

Why it matters

The financial services industry is highly regulated. The SEC is our prudential regulator, supported by a network of self-regulatory organizations including FINRA. We are also regulated by the states that we live in and the states that we are licensed to do business in, which requires us to continuously navigate a complex regulatory environment.

Furthermore, in addition to our roles as financial professionals, we are small business owners who affiliate with LPL as independent contractors. This means that we operate our own books of business and are responsible for the strategic direction of our individual firms. It also means that we are subject to the same regulatory standard that all small businesses are held to, on top of the unique regulations required by the securities industry.

There is a strong need for balance to ensure that consumers are appropriately protected, and we can continue to operate efficiently and grow our small business at the same time. We believe that harmonization of securities laws among all securities regulators is vital to ensure predictable operations and a uniform experience for our clients, regardless of their geographic location.

Underscoring our support for adopting Reg BI by reference

We appreciate NASAA's stated intent to adopt Reg BI by reference, rather than create a new standard of conduct. This will provide uniformity, consistency and predictability not only for us, but also for our clients. A patchwork of varying standards of conduct leads to unnecessary complexity and diminishes our ability to operate effectively and curtails our ability to offer financial planning services to customers in certain states.

Therefore, full alignment with Reg BI is crucial to remove any ambiguity about variations between state and federal securities laws. It ensures that we can work with clients, regardless of their location, to help them achieve their financial goals without any additional compliance burdens or disruptions.

Sincerely,

< NAME >