



January 7, 2020

The Honorable William Francis Galvin
Office of the Secretary of the Commonwealth
Massachusetts Securities Division
One Ashburton Place, Room 1701
Boston, MA 02108

Re: Comments on Proposed Fiduciary Conduct Standard

Dear Secretary Galvin:

We appreciate the opportunity to offer feedback and suggestions on draft regulations from the Massachusetts Securities Division regarding a proposed fiduciary conduct standard for broker-dealers, agents, investment advisers, and investment adviser representatives (950 CMR 12.200).

The Massachusetts Business Roundtable is a non-partisan, public policy organization that has represented employers from diverse industry sectors for the past four decades. The Roundtable strongly supports the implementation of appropriate consumer safeguards and a consistent approach to protecting the rights of investors in Massachusetts and throughout the nation.

With respect to the proposed fiduciary conduct standard, the Roundtable respectfully suggests delaying the implementation of new state regulations until the federal standard is implemented this year. We are concerned the proposed regulations may result in unintended negative consequences raising barriers to entry or limiting access to services for individual investors.

The Roundtable also echoes expressions of caution from fellow business organizations and trade associations voicing concerns that this proposal may negatively impact Massachusetts' economic competitiveness. As a group representing multi-state employers, the Roundtable advocates for consistent standards to ensure consumer protections are in place, while maintaining a level playing field for businesses operating in multiple states.

With the U.S. Securities and Exchange Commission poised to implement the new nationwide, heightened standard of conduct for broker-dealers known as Regulation Best Interest ("Reg BI"), we believe a modest delay in the

implementation of specific state-only regulations is appropriate. We stand ready to work with your office and experts in the field to protect investor choice and to ensure adequate safeguards for consumers.

Thank you for this opportunity to comment on the draft fiduciary conduct standard. We appreciate your collaboration to ensure that Massachusetts remains a highly desirable place for businesses to compete effectively in the global economy.

Sincerely,

A handwritten signature in black ink, appearing to read "JD Chesloff". The signature is written in a cursive, slightly slanted style.

JD Chesloff
Executive Director
Massachusetts Business Roundtable