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RE: Comments opposing SEC application of Dodd-Frank Act

In addition to being a Registered Representative for more than twenty years, I am a CLU and ChFC and hold the CLTC and LUTCF designations, all of which require continuing recertification in order to continue their use. My primary focus is wealth creation and preservation planning through the intelligent application of insurance and financial products and services. I am also a senior citizen.

I hold numerous insurance licenses in the state of California, which require ongoing continuing education for license renewal, with heavy emphasis on knowledge of regulations and ethics.

I hold 3 securities licenses (Series 6, 63, 65) and hold myself to the highest standards. I work for my clients, not for the insurance and financial services industry. In doing so, I always place my clients' interests first and foremost. I believe there are a few "bad apples" in any profession. Holding them to a fiduciary standard does not prevent their bad behavior. In fact, there is a much larger problem as most people don't know what a fiduciary standard is, and, if explained, my 20 years of experience tells me that most people would say that their own broker, agent, advisor or planner is treating and caring for them with a fiduciary standard.

I am in a profession that is based on trust and it is always the professional's choice as to what standard they apply. There is no need to apply a "Fiduciary Standard" to the services I provide to my clients. Applying a fiduciary standard could be described as belaboring the obvious.

The fiduciary duty as defined by the Dodd-Frank Act would require that all broker-dealers be held to a legal and vaguely defined standard "to act in the best interest of the customer without regard to the financial or other interest of the broker, dealer, or investment adviser providing the advice."

While registered representatives believe they are already acting in the "best interest" of their clients, the Act does not define what the rules are for compliance with a legal "best interest" standard. The Act subjects registered representatives to the potential of never ending lawsuits. For example, is "best" the cheapest recommended product? The "best" premium relative to the benefit of the product? The product with the "best" historic underwriting and service standards? Is it the one from the carrier with the "best" rating? The fiduciary standard, in essence, adds a vague legal liability standard that looks back (sometimes after many years) and is enforced after the fact by the SEC or trial lawyers who have perfect vision in hindsight.

For these reasons, I am expressing my opposition to the SEC requiring that all broker-dealers be held to the same legal fiduciary requirement investment advisers have when providing advice to clients.

Sincerely,

Thomas L Newton CLU, ChFC, CLTC, LUTCF

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