

## 12-b-1 fees

While there has been much discussion surrounding these fees—again—there is a certain lack of specificity regarding what 12-b-1 fees are—again—under scrutiny.

Is the A share 12-b-1 fees which amount to 0.25% annually

Or, is it B share 12-b-1 fees which amount to 1.00% annually

Or is I C share 12-b-1 fees which amount to 1.00% annually

There have been comments made that investors are not aware that 12-b-1 fees exist....

Are we not required, at time of purchase, to provide the investor with a prospectus?

Are we not required to disclose to the investor all the material and substantial facts regarding the recommended investment?

Are not 12-b-1 fees discussed and disclosed in the prospectus?

So, the investor knows 12-b-1 fees exist because we are required to inform the investor that they do, in fact, exist and are, in fact, disclosed in the prospectus that is:

1. required to be provided to the client at time of purchase;
2. and, subsequently mailed to the client, at their address of record, every thirteen (13) months.

There have been assertions offered by self proclaimed experts that the required explanation of the material and substantial facts—as in 12-b-1 fees—surrounding the proposed investment are not always explained to the investor.

So, those of us who take our professional responsibility seriously and do explain all the charges and all the fees to all our clients are to be penalized along with those of our less responsible colleagues who neither take nor discharge their responsibility seriously and act in the best interests of the client?

Please.