

Madam;

As a CFP(R) most of my business is based on a fee based platform but I find it appalling that there is a preference being determined in Washington to eliminate the commission based adviser. I have found after 22 years in the business that it is the level of service provided to the client by the adviser that should be judged as the determinant and not the means of compensation.

Transparency has always been very helpful to my business model because I want my client to fully disclose their situation to me as I do for them.

You need to provide some basis for compensation to the adviser to encourage on going service to the client. The liability in the industry along with the cost of oversight warrants the need for a 12B1 trail. You want to encourage Advisors to develop a long term relationship with their established clients and not always be looking for a new source of income because your oversight requires that courseof action.

I would recommend you do more in the way of encouraging that bond between advisor and client which provides a more healthy relationship. You also want to encourage young people to enter the adviser business since most of us are not getting any younger. Remember we need to create jobs!

. Improve Transparency Through Disclosure

o I support the adoption of the terms `marketing and service fee` and `ongoing sales charge` as common sense improvements to the language used to describe mutual fund distribution fees.

o I support the proposed changes to mutual fund disclosures of the `marketing and service fee` and `ongoing sales charge.` These disclosures are prepared by the mutual fund sponsors who are in the best position to report the information accurately. In addition, the prospectus places this fee and expense data in the appropriate context along with other information my clients should consider before investing.

o I oppose the adoption of confirmation statement disclosure of specific mutual fund fee details as overly burdensome, prone to unintentional error and without clear benefit to my clients. It is unreasonable to burden my affiliated broker-dealers with the duty of providing detailed post-transaction fee and expense data on confirmation statements when the mutual fund company controls this information and the disclosure will not influence my client`s decision-making.

. Cap Ongoing Sales Charges

o I oppose the Proposal`s cap of ongoing sales charges. My clients are in need of my ongoing support and service, including incidental investment advice. C-shares allow me to provide small account clients with services by outsourcing the expense of fee debiting, invoicing, and other costs associated with investment advisory accounts. In addition, my clients enjoy the benefit of putting their entire investment to work in the market and avoid capital gains taxes that would be incurred if positions were liquidated to pay me an advisory management fee. If ongoing sales charges are capped, many of my clients who currently own C-shares may find that they are no longer able to obtain my service and support.

. Encourage Retail Price Competition

o I oppose the Proposal`s effort to encourage retail price competition through a share class offered at Net Asset Value. I believe the proposal will alter the distribution model from one based upon relationships to one focused on transactions and costs. In addition, I believe this portion of the proposed rules has the unintended consequence of being an anti-competitive measure likely to result in pricing advantages for large mutual fund families, broker-dealers, and/or financial advisory practices.

I appreciate this opportunity to share my thoughts on the proposal. While I support efforts to improve disclosure of marketing and service fees and ongoing sales charges, I urge the SEC to reconsider its ill advised efforts to cap sales charges and encourage retail price competition.

Sincerely,

John Lerew
CFP(R)
JW Lerew & Co. Inc.
2946 S. Paris Street
Aurora CO 80014
Email: [REDACTED]