I do not believe the SEC should completely do away with C class shares or level load mutual funds. At least, the SEC should permanently grandfather the existing share class in its current structure. This is needed because after 24 years in this business of working hard for my clients to keep their cost and mine down, the SEC should not be allowed to ruin me and therefore my client relationship by dropping my fees by 75% after five years as proposed. This business model was not made by me, but has been an industry standard for years. It has been regulated and legally disclosed not only by prospectus, but by the extensive, (extra) disclosures my broker/dealer requires all clients to sign explaining the level load and the extra expense of the C class shares over the A class in the long run. The C share class allows the Registered Representative the same opportunity as an RIA, but at 1% it keeps the Investment Advisor Representatives in check.

If the C shares are not available to me, then I will have to form an RIA or join an RIA which will add expenses. These expenses would consist of adding a third party custodian, additional compliance and books & records, to name a few. These added expenses will require me to charge the client 2% for the same level of service that other clients were receiving for 1%. This is all because the SEC decided to limit level load mutual funds to five years, but managed accounts can go on for perpetuity.