

I am a financial advisor affiliated with an independent broker-dealer. I am extremely concerned about the SEC's proposal to replace current Rule 12b-1 with a new Rule, 12b-2, and make other changes to the securities laws.

While I support the improvement of transparency through better disclosure and I support the proposed changes to mutual fund disclosures of the `marketing and service fee` and `ongoing sales charge, I am opposed to the other issues being studied by the SEC.

Specifically, 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.

I strongly 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.

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.

Furthermore, I would like to see the SEC focus its attention on the real dangers facing investors: the greed, fraudulent practices, insider trading, and hidden dealings that go on amongst the largest banks and securities operations in this country. It's easy for the SEC to issue new guidelines and go after the "little" broker/dealers and registered reps rather than to tackle the really big problems facing investors. They desperately need people like ourselves who help them in times when they are perplexed that the regulatory agencies were not doing their job to go after the Bernie Maddoffs and the wheelings and dealings on Wall Street that nearly brought down the financial industry throughout the world. I believe that we are doing our job of helping people in these difficult times. Now I ask the SEC to do its job and go after the crooks in our industry.

Sincerely,

Mr. Henry Greiner
President
Money Concepts Capital Corp