

I have been a financial services professional for over 50 years.

I AM FOR the “improvement of transparency” as you propose by changing to 12b-2 – marketing and service fees/ongoing sales charge. This is a good idea.

I VIGOROUSLY OPPOSE, however, the part of the proposed rule that would allow mutual funds to establish new share classes that would be issued at net asset value, without fund managers setting any sales commission or sale charges. Instead, the individual broker-dealers would be able to set their own commission and sales charge amounts. This “competition” among broker dealers, although well-meaning, will cause commissions to go lower and lower --- the middle market investors will soon be deprived of service and advice --- they will focus on the lowest costs at the expense of individual advice and service. The unintended consequence will be that the rich will continue to get richer, and . . . (you know the rest). PLEASE, DO NOT INCLUDE THIS PART OF THE PROPOSED RULE.

Jerome Brandt, CLU, FLMI, CLTC