

March 31, 2005

Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street NW
Washington, D.C. 20549-0609

RE: SEC Proposed Point of Sale (rule 15c2-3) and Confirmation Disclosure (rule 15c2-2)

Dear Mr. Katz:

I write as a 30+ year financial professional to express my concern about the likely negative impact to investors that will be created by your proposed point of sale and confirmation disclosures:

- Investors will be *confused* by additional and redundant documentation found already in the prospectus.
- Investors will ultimately bear *added costs to prepare and update* the fund prospectus AND the point of sale disclosure AND the confirmations.
- Investors will *rely more on the model disclosure form* than the prospectus.
- Investors will *focus too much* on lowest possible cost versus weighing all factors of suitability. Not surprisingly, your disclosures don't reference the greatest investor cost: taxes!
- Investors will *receive no added value* nor *stimulate capital formation* as a result of these proposed point of sale disclosures for variable insurance products. The already-required 13 – 30 page illustrations already disclose costs, fees, expenses and performance projections.
- Advisors and their companies will also ultimately *bear the additional costs and liabilities* from these proposed regulations and disclosure forms.
- Advisors and their companies *will kill more trees* in disseminating these disclosures.

Rather than proceeding with these proposed forms, I recommend the SEC consider the following:

- Determine how you will measure the impact and benefit to the investor.
- Determine how these forms will provide new information to the investor not now available.
- Determine how this added regulation (in the guise of disclosure) will promote efficiency, competition and capital formation or simply have an adverse impact on my small business.
- Meet the SEC's legal obligations under the Paperwork Reduction Act of 1995, Section 3(f) of the 1934 Act, the Regulatory Enforcement Fairness Act of 1996 and the Regulatory Flexibility Act.
- Restructure the prospectus! Keep ONE point of sale disclosure – the prospectus.
- If you must, add a signature line as well as date so I may have proof of delivery.
- If you must, use the internet – attachments 15 & 16.

Thank you for considering my comments.

Sincerely,

Robert G. Cleaveland, CLU, ChFC, LTCIS, CSA®
LPL Financial Planer