

Friday, April 01, 2005

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

**Re: SEC Proposal on Point of Sale and Confirmation Disclosures**

Dear Mr. Katz:

As a financial professional, I am concerned about the potential negative impact that the SEC's proposal on point of sale and confirmation disclosures will have for investors.

As an independent financial advisor, I am able to offer my clients the most appropriate investment vehicles based on an unbiased assessment of their needs. The SEC point of sale disclosure system, as proposed, would have the unintended consequence of substantially limiting the broad universe of mutual funds and variable annuities that I am now able to offer my clients. This consequence could affect approximately **85% of my clients** who currently invest in mutual funds.

Furthermore, while cost is an important factor in any investment decision, this proposal misleads investors into believing that the lowest cost product is the most suitable versus encouraging investors to weigh all factors of suitability. I fear that in the end, it will be the individual investor who will ultimately pay the added cost of implementing this proposal, either through increased fees or a limitation in the number of products offered through me.

The complexity of the proposal runs the risk of further confusing investors. Rather than adopt the current proposal, I would urge the SEC to re-focus its efforts on incorporating important fee information into the prospectus and in turn, creating a more user-friendly prospectus that would better aid investors in their decision making process.

**I would like to see the SEC:**

- 1) Create a much shorter, concise prospectus template for clients to receive for their mutual fund, variable annuity and alternative investment choices. This prospectus should be 3-5 pages maximum in length. Anything longer than this 95% of my clients have told me that they throw the prospectus away because it is too confusing to read and understand (legal jargon). The ideal prospectus, in my humble opinion, would be a 1-page (both sides) review sheet similar to what advisors currently receive on a specific investment from the investment company. Additional questions not covered in the prospectus could be referred to the company's website.**
- 2) Demand that all companies that create prospectuses begin to convert these paper documents to CD-ROM versions within the next two years. Some prospectuses that I have in my office are more than 1-inch thick which is ridiculous and unacceptable. Due to current SEC regulations, I have to throw away many of these unused prospectuses in the garbage on a regular basis, thus further contributing to global waste.**

Sincerely,



Chris M. Adams  
Linsco/Private Ledger