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SECURITIES

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April 13, 2005

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

**Re: SEC Proposal on Point of Sale & Confirmation Disclosures
Proposed Rules 15c-2 and 15c-3**

Dear Mr. Katz:

Jefferson Pilot Securities Corporation ("JPSC") appreciates the opportunity to comment on the above referenced rule proposals. We believe that it is imperative that investors be provided with meaningful disclosure regarding investment costs, and that they be made aware of any potential conflict of interest that may influence the investment recommendation made by a broker-dealer. However, as currently proposed, much of the disclosure burden would fall on broker-dealers, substantially increasing their cost of selling mutual funds, 529 plan interests and variable insurance products. As a result, many broker-dealers offering a wide selection of these types of investments will likely be forced to limit the selection available to investors, thereby limiting their disclosure burden and expense. JPSC believes that product issuers are best positioned to develop point of sale disclosures, and we encourage the SEC to revise its rule proposals to fairly allocate the disclosure compliance burden between product issuers and broker-dealers.

As a broker-dealer deriving a significant amount of its revenue from the sale of mutual funds, 529 plan interests and variable insurance products, if adopted as proposed the point of sale disclosure requirements will significantly impact our business. We believe changes can be made to the SEC's proposal that will result in investors being provided with adequate disclosure without over burdening broker-dealers resulting in increase costs which ultimately would be borne by the investors, and we encourage the SEC to consider the following comments:

Disclosure Should be Made in the Prospectus

We believe that investors expect product disclosures to be contained in the prospectus and that introducing a second type of disclosure document will potentially confuse investors and undermine the importance of the prospectus. If in its current form the prospectus does not serve to adequately inform investors of product fees and expenses, it should be revised to require

inclusion in appropriate format and location the detailed information proposed to be included in the point of sale disclosure forms.

Investor Choice will be Limited

The proposal in its current form would place on broker-dealers the entire cost of developing systems to create the new forms, reviewing the prospectuses for each fund offered and extracting the data needed to prepare the proposed point of sale disclosure forms, and continually monitor each fund offered for changes to such data. We believe that the work and costs associated with performing the tasks needed to meet the requirements will be significant, and will likely result in broker-dealers like JPSC limiting the number of mutual funds, 529 plans and variable insurance products they offer. We strongly urge the SEC to defer adoption of the proposed rules and work with the broker-dealers and product issuers to develop the systems needed to permit the broker-dealers to electronically obtain the information required to be included in the point of sale disclosure from the product providers. The systems to be developed would include not only creating the capability to provide the standardized data for each product, but also would require development of the capability to calculate amounts specific to the individual customer to whom the disclosure would be provided. During that time, we also urge the SEC to work with both groups to appropriately ascribe responsibility to the product providers for creating and making available the required information and to the broker-dealers for retrieving such information and making it available to the investing public. Requiring the information to be developed and made available to the product provider electronically would help to assure that the information provided to the customer is accurate and free of transcription and other errors.

Disclosure Should be Triggered by a Recommendation

Broker-dealers should not be required to provide customers with point of sale disclosure forms until a recommendation to a customer has been made. If a disclosure form must be provided for each share class or mutual fund discussed, the risk of confusing the investor with information overload is greatly increased. It is not unusual for our representatives to discuss a number of share classes and mutual funds with clients interested in pursuing an asset allocation plan or diversifying their investments. In addition, we believe that the cost of providing such information would significantly outweigh potential benefits to the investor.

Clarity of the Forms

With respect to the content of the proposed point of sale disclosure forms, we recommend the forms be changed as follows:

- In the "Fees" section in the mutual fund and 529 plan disclosure forms
 - Change the term "other expenses" to "other fees" to maintain consistency
 - Insert under management fees, other fees and state administrative fees the phrase, "(we do not receive any of these fees)".
- Under "you pay when you sell" in the variable annuity disclosure modify the first sentence to read as follows, "you pay a surrender charge if you withdraw more money than a permitted minimum from your contract within a certain period of time".
- We believe that the SEC should consider adding signature and date lines to the disclosure forms as this will aid in assuring compliance with the rule.

POS Disclosure Forms will Undermine the Prospectus

We believe that the introduction of a second point of sale disclosure document may result in investor confusion and cause some investors to disregard the prospectus. We urge the SEC to review current prospectus disclosure requirements before mandating that other types of disclosure documents, which would contain information much of which is already contained in the

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prospectus, be created and provided to investors. In addition, we do not believe that mentioning the prospectus in the disclosure documents will be effective in encouraging investors to read it.

Point of Sale Disclosure for Direct Subsequent Purchases

Most of the mutual fund, 529 plan and variable insurance products accounts opened by JPSC are opened by "check and application". Applications and new account opening documents are completed by representatives in the field and then transmitted with the investor's check directly to the mutual fund or insurance company. Subsequent investments in the same covered security can be transmitted by the investor directly to the issuer without informing either the broker-dealer or representative. Since the broker-dealer has no way of knowing when subsequent investments are made by "check and application", there should be no further requirement to provide point of sale disclosures in connection with these transactions. These situations underscore the need to consider whether the disclosures contemplated by the proposed rule should be placed into a reformatted prospectus, copies of which would have been distributed to the investor at the time of the original purchase and periodically thereafter.

Confirmation Proposal

The majority of JPSC's mutual fund, 529 plan and variable insurance product sales are done via the "check and application" process described above. We are not able to rely on our clearing firm to create and transmit confirmations for these transactions. Rather confirmations are sent by the product issuer directly to the customer. If the confirmation proposal is adopted, JPSC will be required to either buy or develop systems internally to create, print, and mail confirmations for the majority of our transactions in covered securities. This would require substantial expense for equipment, technology, staffing and increased postage. We urge the SEC to include a specific provision which relieves the broker-dealer from any obligation to provide point of sale or confirmation information where the customer makes subsequent purchases directly from the product issuer.

Information Regarding Variable Insurance Product Subaccount Holdings

We recommend that subaccount holdings information with respect to variable insurance products should not be required on the confirmation disclosure forms. This additional information would be almost impossible to deliver in an understandable manner on the disclosure forms and is readily available from product issuers

Because of the impact this rule proposal will have on broker-dealers like JPSC, we encourage the SEC to reconsider the proposal to more fairly distribute the disclosure compliance burden among broker-dealers, investment companies and insurance companies. We urge that the SEC defer further consideration of this rule proposal to provide broker-dealers and product issuers to work together to develop the systems to make appropriate information available to the customer both at the point of sale and at confirmation of the transaction.

Sincerely,

W. Thomas Boulter
Vice President & CCO

Cc: David Booth

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