

Gentlemen:

I have been a licensed insurance professional and registered representative for over 40 years. I support the new SEC Rule 12b-2 in general. However, I strongly object to your proposal to allow broker-dealers to set their own sales charges and commission amounts because it will simply create a price war in which broker-dealers will adjust their sales charges to gain market share. These reduced sales charges will only come at the expense of the lower level market investors because the dramatically reduced fees will not make it financially feasible any longer for registered representatives to continue to provide the individual advice and ongoing service that we have performed over the years. It simply will not be financially possible to do so. The result is that owners of smaller account balances will be forced to self direct their accounts without the much needed advice and counsel of registered representatives.

The idea of “transparency” and “increased competition” sounds good, but it is going to be “the little guy” who gets hurt. Investors with much larger portfolios will be able to afford higher assets-under-management arrangements in exchange for a higher level of service. Such will not be the case for the average John Doe.

I strongly ask you to reconsider your proposed rule.

Thomas V. Lynch, CLU, ChFC, **Wealth Coach**  
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