

We at Mutual Trust Co. Of America Securities, in Clearwater, Florida welcomes the opportunity to comment on 14-52.

What is worse than not enough information? Too much information! Give a plant some fertilizer, and it thrives. Pour a whole bucket of fertilizer on it, and it dies. In an effort to protect investors, regulators require that we give them prospectuses. Unfortunately, they are so complex that it takes an attorney to understand them. Complexity is slowly percolating into every crevice of the financial services industry. Are we barraging clients with so much information that they will soon be stultified into a state of indecision?

It is evident that regulators want uninformed investors to believe a false narrative. This false narrative states that higher expenses must be bad, while lower expenses must be good. Naturally, any sophisticated, wealthy investor knows otherwise, or there would not be hedge funds or professional money managers. Rule 14-52 is obviously geared towards the small, uninformed investor because of the size requirements. Its a false narrative, and its misleading uninformed small investors who are easily deceived. FINRA itself farms out its portfolio management to a professional money manager for a fee. A fee which a small investor which may find absurdly high!

I think we can all agree that if history has taught us anything, it has taught us that free markets and capitalism are always the best systems. If a markup is important to an investor, then an investor should be free to shop around for a firm that discloses whatever information is important to the investor. We do not need bureaucratic inflexible regulators disrupting the free flow of markets. And we do not need unbending intransigent regulators dictating to market participants what information needs to be disclosed and what information does not need to be disclosed. When free markets are meddled with by outside forces unintended consequences may surely follow. One of those may be that small investors, those who may require advice the most, may be relegated to self service accounts, or accounts with high maintenance fees. This new rule is ill advised.

Thank you for your consideration.

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