

**Frank Giaccio, MBA, CFP**  
Certified Financial Planner

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**KEYSTONE**  
**FINANCIAL ADVISORS**

30 March 2005

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Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609  
Re: File No. S7-06-04

e-mail: prosper2020@yahoo.com



S7-06-04

Dear Mr. Katz:

As a Certified Financial Planner for over 20 years, and licensed to sell insurance as well as equity products, I want you to know my thoughts about the new disclosure requirements proposed by the SEC regarding the sale of mutual funds and variable products.

This additional paperwork will not help consumers at all. Right now, my broker-dealer requires me to have a client review and/or complete as many as eleven (11 !) pages of forms. That's in addition to the prospectus. Consumers are bewildered by the detail and the amount of paper.

It has become similar to buying a home: the agent or notary or processor will have you complete a small volume of forms, which they explain but 15 minutes later no one, NO ONE understands what they've signed and initialed.

This unnecessary, redundant paperwork will NOT provide meaningful additional protection to consumers. If an agent or salesperson wants to deceive, they will not be impeded. It is the honest brokers who pay the price without any benefit whatever to the consumer.

Requiring another disclosure document duplicates information already in the prospectus, and creates more confusion as yet another document is thrown into the "booklet". It will actually REDUCE the likelihood that consumers will read the most important and complete source of information - the prospectus.

The SEC has already simplified and amplified the expense and fee section of the prospectus. If you don't feel this is adequate, have them put this information on the very first page even before the table of contents. Introducing a superfluous, redundant piece of paper is useless and confusing.

Finally, focusing only on fees and expenses will lead people to think about costs rather than the overall objectives of why they are investing and potential investment returns. After all is said and done, would you rather have an investment that performs or is 'cheap'?

For these reasons, I urge the NASD withdraw this ill-conceived proposed rule.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Giaccio".

Frank Giaccio