

THE GOOD:

I like this request for comment. It was readable and relevant to investors.

The SEC does need to do more to meet the changing times. It should foster innovation and limit its interference to keeping disclosures accurate and preventing fraud.

THE BAD:

The SEC does not follow its own advice. You published a thousand plus page release to describe a (i) 4 page disclosure document; (ii) an ill-defined (as stated by your own Commissioners) concept of best interest; and (iii) an interpretation that reiterates a well-established position. This seems crazy to me. It should not take a release this long to describe these things. It is also a violation of the Plain Writing Act of 2010 (<https://www.sec.gov/plainwriting.shtml>). Extreme length of a release is not a proxy for a well-articulated rule proposal.

THE UGLY:

The SEC will have great information coming in based on this request for comment, investor testing, and N-Port & N-Cen data. However, the SEC is plowing ahead with fund regulation before having the information from these tools. The SEC continues to pursue the following efforts without waiting for the information they need to make informed policy:

- Annual Report Delivery
- ETF disclosure
- Fund of funds
- Derivatives
- Insurance Contract Prospectuses
- Liquidity
- Fund data tagging

This seems unfathomable. You are turning out uninformed regulations instead of waiting to see the information you will soon have in hand. That is bad for investors and market participants, and plain bad policy.

I realize you have a new Funds Director and Chairman that have an agenda and a legacy they are anxious to work on, but that is just not right. The SEC is on top of registrants to disclose conflicts. Well, placing your egos and impatience over informed policy making is a very real conflict and a very real problem.

I would call SEC fund regulation is the answer to egos and over-reactions. Egos as described above. Overreactions, in that in response to one money market fund exploding you pass 2 sets of comprehension regulation; and you respond to one fund not being able to respond to redemption requests by putting the entire industry under a new and burdensome liquidity regime.

Additional Comment:

It would be helpful if you could post a word document that lists all of the questions included in a release to make it easier for folks to respond to comments.