

July 26, 2007

Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F. St, N.E.
Washington, D.C. 20549-1090

RE: File Number 4-538 SEC Requests for Public Comments Regarding 12b-1 Reform

Dear Ms. Morris:

I am a licensed insurance professional and mutual funds salesperson. I am responding to the invitation from the SEC to submit public comments on Rule 12b-1. I hope the Commission appreciates how critical and essential 12b-1 mutual fund fees have been since 1980 for financial professionals to operate their practices effectively, efficiently, and legitimately.

In addition, 12b-1 fees have contributed to the significant growth in the mutual fund industry by allowing investors to spread out payments to financial intermediaries during the course of their investment. It is also important to remember that the typical maximum front-end load has declined from 8.0% in 1980 to about 4.8% in 2006.

I believe that should the SEC rescind the Rule the unintended consequences to the middle income investor with limited wealth would be severe. I can foresee clients of financial professionals that currently have limited assets invested simply being cast aside in favor of wealthier clients. This latter group of investors are typically better informed and willing to pay considerably more than they do now for financial planning and investment advice.

Today, millions and millions of small investors currently own mutual funds outside defined contribution plans, yet mutual funds experts report that four out of every five investors currently seek personalized advice from a financial advisor, Registered Investment Adviser, or securities broker. I believe most investors who come to us are seeking a convenient and cost-effective way to invest and save for their long term financial goals and objectives. I simply cant foresee a promising financial future for the millions and millions of relatively small investors with limited wealth being well served in the future by a qualified professional if 12b-1 fees are repealed by the Commission.

I sincerely hope the SEC will *allow rule 12b-1 to continue in place and not restrict payment of 12b-1 fees*. I believe that 12b-1 fees have been a major contributing factor in allowing me to provide proactive, ongoing, investment services to my current clients.

Sincerely,

David Koll, LUTCF
Registered Represenative
Mutual of Omaha

