



1221 Nicollet Mall, Suite 400
Minneapolis, MN 55403
www.advisornet.com

November 2, 2010

Securities and Exchange Commission
100 F Street NW, Washington, DC 20549

Re: File Number S7-15-10

Ladies and Gentlemen:

This letter is written in response to the proposed reform of SEC Rule 12b-1, which will result in the revised SEC Rule 12b-2. I would like to comment on the SEC's proposal: I am in support of certain aspects of the proposed SEC Rule 12b-2, including those which would maintain the existing 25 basis points fee used as compensation for providing ongoing service and advice, and utilize the terms "marketing and service fees" and "ongoing sales charges" in place of "12b-1 fees." However, I strongly object to the SEC's proposal to allow mutual funds to issue a new class of shares at NAV and allow broker-dealers to set their own sales charge and commission amounts.

While competition based on price and cost sounds reasonable and fair, the truth is that it will come at the expense of many middle market investors. These investors, who need the ongoing services and the advice of a registered representative as much as any other investor, will ultimately lose out on these benefits if the proposed rule is passed. As broker-dealers lower their sales charges and other fees in an effort to increase sales volume and market share, it will no longer be financially feasible for registered representatives to continue providing the same level of individualized financial advice and guidance to these middle and lower market investors. Instead, only the higher-earning investors who can afford assets-under-management arrangements and / or higher costs of services will continue receiving this essential and personalized investment advice. Most investors with smaller fund account balances will have no choice but to self-direct their accounts if they want to own mutual funds, because their advisors will not be able to afford to spend time advising them. This will leave discount brokerage platforms as the only affordable option for middle and lower market investors.

While I am in full support of the SEC's commitment to finding new ways of improving the securities industry, improving competition, and providing consumer protection through consumer rights and industry regulation, I cannot support the proposed rule change because it will ultimately create more problems for middle and lower market investors, the very same consumers the SEC is trying to protect. These investors deserve and require the financial guidance and advice of a registered representative as much, if not more, than the upper-income investors, but they will be deprived of that right if the SEC Rule 12b-2 is passed as proposed.

Thank you for taking into consideration my thoughts and comments on this important issue.

Sincerely,

Jason D. May
Financial Advisor