



Northwestern Mutual
FINANCIAL NETWORK®



Robert D. Lowrey, CLU, ChFC
Managing Partner
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Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F St. NE
Washington D.C. 20549-1090
File #4-538

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Dear Ms. Morris,

I am a Managing Partner and a Branch Office Manager for the Northwestern Mutual Financial Network. I manage a field force of approximately 50 Financial Representatives and we service approximately 48,000 policyowners and clients. Numerous studies have shown that the biggest issue our clients have with their investments is the need for ongoing advice particularly when the market appears shaky. In addition, our clients need ongoing service when it comes to servicing their mutual funds. My Financial Representatives receive trailing compensation for this advice and service. This trailing compensation is typically paid under a written plan adopted pursuant to SEC Rule 12b-1.

I believe you will find that the compensation they receive is relatively modest. In most mutual fund A Shares, the annual 12b-1 fee that is paid for providing ongoing service equals 25 Basis points. I know our clients receive substantial value for these fees. In exchange for a small annual payment they have access to a financial services expert to answer their questions and address their concerns. Without their Financial Representative, what other choice would they have when the market becomes shaky and they need reassurance or they need assistance in rebalancing their portfolios? Our customers do not like the idea of using a 1-800 number to talk to a stranger on the phone about their investments.

The elimination of 12b-1 fees would do considerable harm to those investors who need and want ongoing investment advice and counsel. We operate in a very large geographical territory. There is no way we could provide that service without the 12b-1 fees. I have been a Managing Partner for Northwestern Mutual for over 15 years and during this time I have never received a complaint from any of our clients about the small amount they are charged for the services my reps provide to them. I know our clients would be shocked if they found out that the 12b-1 fees were eliminated and as such they would no longer have any access to a Financial Representative to assist them in service and ongoing help in their investments. Obviously another way would have to be found to compensate our Financial Representatives for those services. That would involve clients being charged more, not less; through ongoing asset management fees and they would receive basically the same service.



Northwestern Mutual Financial Network (NMFN) is the marketing name for the sales and distribution arm of The Northwestern Mutual Life Insurance Company, Milwaukee, WI (NM) and its subsidiaries and affiliates, including Northwestern Mutual Wealth Management Company, which is a limited purpose federal savings bank and registered investment adviser. NMFN is not a partnership or legal entity. Robert D. Lowrey is a General Agent of NM (life insurance, annuities and disability income insurance) and Northwestern Long Term Care Insurance Company, Milwaukee, WI, a subsidiary of NM (long-term care insurance). Registered Representative and Investment Adviser Representative of Northwestern Mutual Investment Services, LLC, a wholly-owned company of NM, broker-dealer, registered investment adviser and member NASD and SIPC. NM is not a broker-dealer or registered investment adviser. Managing Partners are not in legal partnership with each other, NM or its affiliates. There may be instances when agents of NM represent companies in addition to NM or its affiliates.

I would urge the SEC to reject any proposal to eliminate or restrict the payment of 12b-1 fees to Registered Representatives for providing continued service to their clients. I appreciate your consideration of my views on this subject.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert D. Lowrey". The signature is written in a cursive style with a large, prominent initial "R".

Robert D. Lowrey, CLU, ChFC
Managing Partner