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July 12, 2007

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

RE: File No. 4-538

Dear Ms. Morris,

As a licensed insurance and financial professional, I am writing with my recent concerns regarding the 12b-1 fees and the changes that may affect this ruling.

In return for providing ongoing service and valuable advice to my clients regarding their investments, I receive trailing compensations much in the same way that insurance representatives receive renewal commissions on the life insurance policies that they sell. This trailing compensation is paid under a written plan adopted under the SEC Rule 12b-1. This compensation amount is relatively modest; on a $10,000 financial investment into "A" shares of a mutual fund, the annual 12b-1 fee that is paid equals roughly $25. Investors receive substantial value and professional insight in exchange for these fees. For this small annual payment, my clients have access to financial expertise to answer their every question and address all of their concerns. Without this advisement provided, our investors would have little financial guidance or understanding, reassurance upon a shaky market, the choices available or assistance in rebalancing their portfolios for better fund performance.

Having started in this career over thirty-three years ago, I do remember a time when clients paid a 8.5% sales charge. At that time there were many complaints about the high fees associated with investing and the lack of follow-up services provided by representatives, largely due to the lack of compensation these representatives received after the initial investment period. It created a situation of neglect for the client. The change to a reduced sales charge and the 12b-1 fees was a wonderful way to provide broker incentive to maintain client contact and to ensure the client's confidence, and it has been the best decision for our business thus far. I'm sure that the successful growth of the mutual funds over these years has in no small part been due to this change, and as I see it, this is not something that needs fixing at this time.

I truly believe that the elimination of the 12b-1 fees would do considerable harm to those investors who seek ongoing investment planning counsel. The majority of our clients expect our office to quickly respond to their financial matters and answer questions concerning their investments. In all of my years as a financial professional, I have never received client complaints about the small fees associated with the services that I provide them with. In fact, quite the contrary. My clients fully expect me to be compensated for assisting them to achieve their financial goals that they otherwise may have never reached on their own. If the 12b-1 fees are eliminated, it's true that the clients may save a small amount associated with these fees, but the client may end up paying a much larger amount of money in hourly or asset-based fees to obtain the same information I now provide for them.

For all of these reasons, I strongly urge the SEC to reject any proposals to eliminate or restrict the payment of 12b-1 fees to registered representatives for providing continued and valuable service to our clients.

Thank you for your time and consideration of my views on this subject.

Sincerely,

Kim R. Seymour, CLU, ChFC
Registered Representative

KRS/jls