

June 8, 2007

Christopher Cox, Chairman  
US Securities and Exchange Commission  
SEC Headquarters  
100 F Street, NE  
Washington, DC 20549

Dear Mr. Cox:

Re: 12(b)-1 Matter

Greetings from Lake Woebegone... you can just about see it from Fergus Falls, Minnesota, where I have been serving investors since July of 1964. My firm, Dorn & Co., Inc. (CRD #2950) is in the general securities business with two registered brokers (including myself) and four full time support people... that support our investors, and support them they do! Generally, their work begins when the client says YES!

Examples of this support are finding "cost basis" in our archives from January to April 15<sup>th</sup> to year round activities like: performance interpreting, wading thru a blizzard of correspondence, fund pricing, periodic asset allocation, preparing presentation material, risk analysis, attorney education, estate matters, general record keeping, liquidations, compliance, reading the fund reports for investors, all of which we are not compensated for. For the life of me, I cannot see what the fuss is all about!

In the meantime, I am trying to keep my head above water competing with every bank and insurance agent in this town selling investment look alike products with out-of-this-world margins that 12(b)-1 fees pale in comparison. In my book, 25 basis points is a much better deal for the investor than the 8 ½% sales charge that we used to charge when I first got into the business, and is still a bargain today. (I believe there are fund companies that have reduced management fees since their funds have grown, over time.) Fund business at Dorn & Co., Inc. has grown substantially over the years due to both performance and new money.

12(b)-1 fees were approximately one half of my firm's business last year, and correspondingly approximately one half the value of my firm. (What alternative investment vehicle should I start to explore that is going to serve my investors better than what they already have?)

Thanks for the opportunity for me to share this with you. We have a great capital formation system in this country. Mutual funds are a part of that, and in my opinion, they are not broken.

Sincerely,

Larry Dorn, President  
Dorn & Co., Inc.

P.S. The predecessor firm to Dorn & Co, Inc. was Olson Securities Company in our town, which was founded by Walter Olson, father of our friend Mark W. Olson currently chairman of Public Company Accounting Oversight Board.

cc: Mark Lackritz, President  
SIFMA

Paul Schott Stevens, President – CEO  
Investment Company Institute

Steve Distant, President  
NAIBD