

I have been in the financial services profession since 1965. According to my math, that's 45 years in this business. I have watched and witnessed products come and go and government intervention in practically every facet of the financial industry. I have monitored the issue of 12b-1 fees for years and what has always amazed me is the fact that it, in my opinion, is the most economical way for the average middle market consumer to receive personal financial planning advice. When I calculate our percentage of the 12b-1 fee, clients ask me, "Is this all you make to service our reviews and pay your staff and lights!" In other words, we visibly display our compensation in actual dollars, unlike many other professions. To the "net net" of my letter:

--Disclosure - I support clients knowing what fees they pay, i.e. 12b-1/12b-2.

--I do not support adding a host of additional share classes that B/D could ultimately use only to confuse the middle income investor. I can only imagine the TV media marketing advertising of "free for service" low cost charges of mutual funds.

--If the objective is getting good financial planning services to the middle income market, then allow the marketplace, through those of us as planners who service that marketplace, to do our job which ultimately is to help clients to build assets to ultimately produce income for their retirement and maybe hopefully leave something to their loved ones. That's our role as financial planners.

--Therefore, transparency of 12b-1s is appropriate, but the compensation should remain.

Very truly yours,

Darrell N. J. Norling
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