

Attention SEC:

I have been a licensed insurance professional and registered representative since 1976 and a member of NAIFA/NALU for 34 years. The financial industry is very important to me. I have worked as an Advisor and as a Principal in this wonderful industry. I strongly support the new SEC rule 12b-2, which would continue the 25 basis points fee that is used to ensure investors receive ongoing service and advice, and the SEC's proposed use of the terms "marketing and service fees" and "ongoing sales charge" in place of "12b-1 fees" to improve transparency in disclosure documents. However, I strongly object to the SEC permitting mutual funds to issue a new class of shares at net asset value that would allow broker-dealers to set their own sales charge and commission amount. The following paragraph explains the reasons why I strongly object.

The SEC has indicated that allowing broker/dealers to compete based on sales charges and the services they provide will create a level playing field and lead to reduced costs. As a financial advisor, however, I am concerned that allowing broker-dealers to compete based on the commissions they charge and the services they provide will lead to a "race to the bottom" causing middle market investors to be overly focused on price and ending up without access to valuable advice and ongoing account services. As broker/dealers slash their fees in an effort to gain market share, it will no longer be financially feasible for registered reps to continue to provide the level of individualized advice and services currently offered. Investors who can afford assets-under-management arrangements or higher cost/higher service classes of shares will continue to receive personalized investment advice, while middle market investors will be deprived of the guidance they need and deserve. I **KNOW** that this will eliminate the opportunity for lower-middle class Americans to do any type of financial planning. Please don't eliminate that opportunity for Americans or that opportunity for Advisors to work with them.

Sincerely,

Ronald T. Cram

American General Life

General Agent