

# MK Financial Group, Inc.

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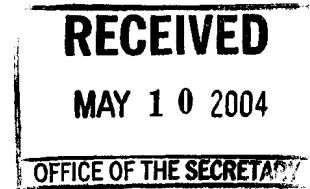
Michael P. Kratzer, CLU, LUTCF

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57-09-04

May 5, 2004

Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609



Dear Sir,

Being a licensed life insurance agent and a registered representative who sells mutual funds, I support the Securities and Exchange Commission in its efforts to eliminate illegal and inappropriate practices in the mutual fund industry. However, I am concerned that legitimate practices could be eliminated also.

It has come to my attention that the practice of paying 12b-1 fees has been targeted. I strictly appose any efforts to eliminate or restrict the payment of 12b-1 fees. The fees compensate representatives for ongoing service and advice to clients in regards to their accounts held with us. Please keep in mind, that we establish ongoing, long-term relationships with our clients, and more often than not, we are the first and only person to be called for advice. The fees provide substantial value to the investor – in exchange for a small annual payment, they have access to a licensed, financial expert. The payment of these fees, while modest, is ongoing compensation much like a renewal commission on life insurance.

I strongly appose any efforts to eliminate or restrict the payment of 12b-1 fees. Elimination of these fees would harm those investors who need and want ongoing investment planning advice.

Thank you for assistance in this issue.

Best regards,

A handwritten signature in black ink, appearing to read "Michael P. Kratzer". The signature is fluid and cursive, written over the typed name below it.

Michael P. Kratzer, CLU, LUTCF

P.S. I enjoy my career and if asked, my clients would agree that I am worth the cost!

Registered Representative/Securities and Investment Advisory Services offered through  
Signator Investors, Inc., Member NASD, SIPC,  
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