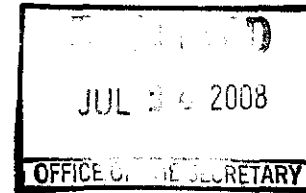


Thursday, May 08, 2008

Senator Ted Stevens
U.S. Senate
522 Hart Senate Office Building
Washington DC 205100001
Capital Fax: (202) 224-2354
District Fax: (907) 258-9305



RE:

Dear Senator Stevens;

As a resident of your state and member of the Financial Services Institute (FSI), I am writing you to share my concerns about the potential for the SEC to eliminate or curtail the use of 12b-1 fees and how it would have devastating unintended consequences for investors. Middle-class Americans need the continuing service, guidance, and support provided by independent financial advisors to achieve their stated investment goals. 12b-1 fees provide a tax efficient means to support the continuing service these clients require for successful investing.

This afternoon, FSI members from 28 states will visit over 100 Congressional offices, supporting the use of 12b-1 fees. And although I cannot join my colleagues in Washington, I want my voice heard by sharing with you the numerous benefits 12b-1 fees have for investors and my business, which include:

.Expanding Investor Choice - The multiple share classes made possible by Rule 12b-1 give investors choices by providing them with options in how they pay their financial advisor. The flexibility offered by Rule 12b-1 allows financial advisors to tailor a portfolio to their client's specific needs.

.Supporting Financial Literacy - Mutual funds send their investors monthly statements, confirmations, prospectuses, annual reports, and other materials. Financial advisors serve the vital role of educators by helping investors to make sense of these essential materials. 12b-1 fees are the compensation financial advisors receive for these efforts.

.Managing Client Expectations - We all know the common mistakes investors make; buying high and selling low, chasing past performance and harboring unrealistic expectations. 12b-1 fees provide financial advisors with compensation to manage their client's expectations and protect them from falling into this common investor traps.

.Insuring Small Accounts Receive Service - Investment advisory services are simply out of the reach of many small account holders. Financial advisors must have another means of being fairly compensated for servicing these accounts. 12b-1 fees provide the mechanism to insure

small investors receive the support and service they need to achieve their financial goals.

.Subsidizing Additional Services - Independent financial advisors offer their mutual fund clients a variety of additional services including: consolidated account statements, periodic portfolio review meetings, quarterly newsletters, cost basis research, preparation of tax returns, and consulting on other financial decisions. These important services are made possible by the subsidy 12b-1 fees provide.

In conclusion, while it is reasonable to review the investor benefits of 12b-1 fees, it is obvious that the repeal of Rule 12b-1 has the potential to cause great harm to thousands of individual investors who need the support and service of a trained financial advisor. I believe the SEC's goal should be to improve mutual fund disclosure effectiveness by using plain language, providing a concise and balanced explanation of relevant information, and delivering it to investors the way they want it. As a result, it is essential that any improvements to the Rule be designed to reinforce the important benefits it provides to investors.

Sincerely,

Mr. Erik Sjodin