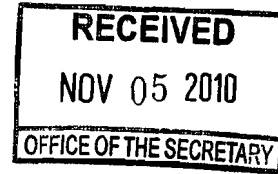




California Asset Management

Thursday, November 04, 2010



Ms. Elizabeth M Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File Number S7-15-10

Dear Ms. Murphy,

I have been a representative for 25+ years and find it necessary to comment on the proposed changes. I am very concerned for the typical (middle class) investor if current Rule 12b-1 is replaced with Rule 12b-2 as proposed.

While I support full disclosure, requiring confirmation statement disclosure will confuse the client and, because of the financial burden on the fund company, will actually increase cost.

I oppose the proposal's cap on ongoing sales charges. These ongoing charges allow me to service clients. I remember the problem pre 12b-1 when clients' accounts were moved to generate commission to provide ongoing service. Going backward is NOT wise.

I also oppose the proposal's efforts to encourage a share class offered at Net Asset Value. This change will probably result in pricing advantages for large mutual funds families, broker dealers and financial advisory practices.

I fully support efforts to improve disclosure of marketing and service fees and ongoing sales charges, **I strongly urge the SEC to reconsider its ill advised efforts to cap sales charges and encourage retail price competition. Studies have shown investor behavior is the determining factor of meeting objectives not cost.**

Sincerely,

George W. Walters, AIF®
California Asset Management, Owner