October 27, 2010

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

RE: FILE NUMBER S7-15-10

Dear Ms. Murphy:

I have been a licensed insurance professional and registered representative for over 8 years. I understand the SEC is proposing to pass new rulings and I wanted to write to you personally to express my thoughts.

First, I very much support new SEC rule 12b-2, which would continue the 25 basis points fee that is used to ensure that 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 and education of clients.

However, I am concerned and strongly object to the SEC permitting mutual fund companies 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. Competition based on price and cost sounds good, but will come at the expense of desperately needed sound advice and service for middle market investors, which many of my clients are.

As broker-dealers lower their sales charges and fees in an effort to gain market share, it will no longer be financially feasible for registered representatives such as myself to continue to provide the level of individualized advice and ongoing service that we currently provide to all our clients.

As a result, only the highest income investors who can afford assets-under-management arrangements or much higher cost/higher service classes of shares will continue to receive personalized investment advice. This is particularly disturbing in light of all the scandals regularly in the papers nowadays. New customers often approach me with tales of woe regarding their previous and current brokers, who took their business and moved on to the next client. One of those client's ruefully joked, "He never called, he never came, he never wrote". This continuing educational process takes a lot of time, but is absolutely necessary in clients' understanding exactly what they are getting and what they are paying!

I am concerned that many investors with smaller and mid-sized account balances will be forced to self-direct their accounts if they wish to continue to own mutual funds because registered reps will no longer be able to afford to spend the time to guide and advise them, leaving discount brokerage fund platforms as the only affordable option for middle and lower market investors. Therefore, the people the SEC ***is trying to protect the most--middle and lower market investors—will be hurt the most,*** since they will be deprived of the guidance and service they need and deserve.

Sincerely,

Harriet A. Spear, MBA, LTCP, LUTCF
Financial Services Professional