

FRONT-END LOAD
AGAINST REPORT

Case
1A

RECEIVED

FEB 24 1967

SALES LOAD

AGAINST REPORT

B-D

8018 Hillcroft
Houston, Texas 77036
February 20, 1967

The Honorable Lyndon B. Johnson
The President of the United States
The White House
Washington, D. C. 20515

Mr. President:

As a member of the financial community actively engaged in selling mutual funds, I must object to the Securities and Exchange Commission proposal to abolish the "Front End Load" and to reduce the sales charge. I also object to your support of this proposal.

The sales charges for securities, exchange listed, over-the-counter and mutual funds, are among the lowest for any product. The salesmen and firms that market securities in the United States are probably the most ethical and customer-oriented sales group to be found anywhere. Not to mention the most harshly self-regulated and self-policed by their own organization, The National Association of Securities Dealers, Inc. It is more usual for the Securities and Exchange Commission proposal to reduce penalties imposed by the National Association of Securities Dealers, Inc., on their own members than to increase them. Now that I have stated my views as a member of the financial community, I would like to voice my opinion as a member of the general public.

If the government is going to set itself up as an arbitrary price or profit controlling agency to "protect the public," then as a member of this same public, I respectfully submit that all sales charges, from manufacturer to consumer be reduced to five percent (5%), as is suggested by the Securities and Exchange Commission proposal regarding mutual funds.

The sales charge on my life insurance amounts to almost ninety percent (90%) of the first year's premium. I also object to overcharges of premiums that are returned to me being referred to as "dividends" which are not deductible from taxes as are a portion of other dividends. The high sales charges on clothes, furniture, automobiles, office supplies, medicine, doctor's fees, hospitals, food, liquor, tobacco, appliances, homes, etc., are equally offensive to me.

SECURITIES AND EXCHANGE COMMISSION
RECEIVED

FEB 24 1967

The Honorable Lyndon B. Johnson
Page Two
February 20, 1967

The relatively small percent of our population that are smart enough to invest some of their money are in much less need of federal protection than the overwhelming majority that are daily subjected to the abuse they unknowingly receive from advertising, insurance, land development schemes, etc.

Having stated my case, I now leave the results to your usual good judgment in these matters.

Respectfully,

John V. Williamson

JYW/jm

cc: Senator Ralph Yarborough
Senator John Tower
Representative George Bush ✓
Representative Bob Eckhardt
Representative Bob Casey
Senator John J. Sparkman
Representative Wright Patman