

Donovan, Gilbert & Co.
Lansing, Michigan

March 19, 1968

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

We are deeply concerned about your proposed rule 10b-10, which would eliminate customer directed give-ups by the various mutual funds.

We have been an independent dealer in Lansing, Michigan, since 1934 and have seen various rules and regulations of the SEC and NASD over the past several years which continually whittle away at the income of independent dealers, and we see no reason for your proposed rule to further decrease our meager earnings.

The members of the various stock exchanges would like to see all investment business conducted through their members. At present, they get most all of the commission business from the mutual funds and yet most of the mutual fund sales are made by the independent dealers, and we feel that they are entitled to some of the compensation that is given to the exchanges. We do not believe that eliminating give-up commissions will reduce the commission charges of the exchanges to the funds and that it is only fair to give the independent dealer a little consideration now and then.

We hope you will consider that we are trying our best to serve the public and investors to the best of our ability, and that we should have an opportunity to continue in business and not be forced to liquidate.

Very truly yours,

Donovan, Gilbert & Company

N. R. Gilbert, President