

Nuveen Corporation
New York, NY

March 29, 1968

Orval L. DuBois, Secretary
Securities and Exchange Commission
500 North Capitol Street N.W.
Washington, D.C. 20549

Dear Mr. DuBois:

This is in response to the invitation in Securities and Exchange Commission Release No. 8239 to comment on proposed rule 10b-10 concerning direction of commissions by investment companies.

Our firm basically follows the New York Stock Exchange Proposal. Although we are not directly concerned with the marketing of investment companies shares, we are a recognized authority in this industry. We are also, of course, a member of the New York Stock Exchange community and for this reason we are quite concerned with the recent arrangements made by some dealers which have in effect helped to break down the primary market place.

It seems to us also, that the Securities and Exchange Commission proposal does not go far enough and might tend to further splinter the primary auction market. It is for this reason that we favor the New York Stock Exchange Proposal. The subject of volume discounts appears to be one step in the right direction. Also, the prohibition of "institutional membership" on exchanges seems mandatory if the brokerage structure is to survive. The exchange proposal, although not perfect, seems to be a good attempt to grasp the entire problem and solve it with all fairness in mind.

It is for this reason that we do favor their proposal and we certainly appreciate the opportunity extended to all firms by the Securities and Exchange Commission to comment on a situation that is so important to all members.

Sincerely,

Frank P. Wendt
Executive Vice President