Mr. KOSTMAYER. No; in terms of numbers of people it is about 25 percent, in terms of dollars about 10 percent.

Mr. SPRINGER. About 10 percent.

Mr. KOSTMAYER. Right.

Mr. SPRINGER. Of the total amount of dollars involved in all mutual fund sales?

Mr. KOSTMAYER. I might just add one sentence to that, sir; contractual plan salesmen go out to seel contractual plans with a front-end load. In the process of doing this, they encounter investors who also have cash to invest, and who in turn buy mutual fund shares outright, so that the amount of business that results from contractual plan activity is considerably in excess of the contractual plan business done, but the figures are 25 percent in numbers of people, 10 percent in dollar amounts.

Mr. SPRINGER. Thank you, Mr. Keith.

Mr. KEITH. When somebody starts payments again as a result of solicitation by mail to reinstitute their plans, do they get back in on a first year commission basis?

Mr. KOSTMAYER. That all depends, Mr. Keith, upon when they have stopped making payments.

Mr. KEITH. Let's just say that in the third year——

Mr. KOSTMAYER. Oh, no, sir, they would then go back on the lowered commission that follows the first year front-end load.

Mr. KEITH. Suppose some salesman was given that account to service, and he goes out and as a result of his effort they reinstitute that as an active account?

Mr. KOSTMAYER. In the third year?

Mr. KEITH. In the third year.

Mr. KOSTMAYER. There is no further front-end load. It has been paid and that is over and done with.

Mr. KEITH. Unless he by chance signs up for a new plan.

Mr. KOSTMAYER. Yes, which we would not allow him to do unless he were current in his payments on the old plan.

Mr. KEITH. Supposing that you had an unscrupulous agent, and he said "Well, perhaps you could do better if you went with Aerospace Industries Mutual Plan. You might like that one even better." Is there any switching like that that takes place?

Mr. KOSTMAYER. No, sir, I think there is none because the planholder's reaction to this sort of dishonest approach would be "I'm terribly sorry but I have already paid a front-end load, and I don't want to do it again." I think if there were only level loads that this switching would take place.

Mr. KEITH. Can you buy no-load funds on the installment plan?

Mr. KOSTMAYER. Yes, I think you can buy no-load plans any way you choose to, but you have to make the effort and initiate the activity yourself.

Mr. KEITH. Is there any management company that anticipates direct selling by mail and having a sales commission schedule considerably less than that of the present contractual plan, we will say 3 or 4 percent, and selling it by extensive advertising and mail solicitation?

Mr. KOSTMAYER. I don't know of any, Mr. Keith, which is not a complete answer to your question, but the inhibitions on advertising and