2. The sales charge on fund shares purchases and contractual plans is completely fair and fully justified in light of the service rendered.
3. The contractual plan is the finest and most sensible investment vehicle ever devised for investing regularly in American Industry. The many advantages and conveniences far outweigh the one disadvantage.
4. The Registered Representative is generally a hard working, conscientious, well-trained person who has his clients best interests at heart. His services usually extend far beyond the mere sale of Mutual Funds.
5. The sales charge in Mutual Funds cannot be equated with that of stocks per se.

Exhibit A

STATUS OF SELECTED CONTRACTUAL PLANS AS OF OCT. 2, 1967

Name	Monthly plan	Face amount	Number of investments [1]	Amount invested	Value	Salesman's commission [2]
1. G. B.	$50	$9,000	6	$300	$151.74	$67.50
2. G. O.	100	18,000	15–8b	3,500	1,247.64	292.50
3. W. D.	30	3,600	17–46b	510	714.12	87.75
4. J. A.	50	6,000	26–34b	1,300	1,428.24	146.25
5. J. H.	25	4,500	28	700	730.35	73.19
6. C. F.	30	3,600	38–20b	1,340	1,752.76	87.75
7. A. P.	50	6,000	56	4,800	4,025.04	146.25
8. C. C.	75	9,000	63	4,725	8,147.46	219.57
9. P. B.	60	7,200	66	3,960	6,540.69	175.50
10. F. I.	100	12,000	69	6,900	11,588.22	292.50
11. A. G.	25	3,000	72	1,800	3,035.01	73.19
12. P. T.	500	60,000	72	36,000	66,704.70	744.00
13. H. R.	100	12,000	83	8,300	13,389.75	292.50
14. E. S.	50	6,000	96	4,800	9,040.11	146.25
15. J. S.[3]	25	3,000	120	3,000	4,787.85	73.19
16. F. M.[3]	100	12,000	120	12,000	15,370.00	492.50
Totals	1,370	174,900	947	89,735	148,653.72	3,210.39
Total amount invested					89,735.00	
Unrealized gain					58,918.72	

[1] 2nd number indicates number of payments behind.
[2] Starting Salesman's Commission spread over 1st year.
[3] Completed Plans.

Note: All above plans have been in existence for less than 6 years. Actual confirmations of the above records will be furnished upon request.

Exhibit B

Some Advantages of the Contractual Plan

1. Diversification.
2. Professional Management.
   (a) Careful Selection.
   (b) Constant Supervsion.
3. Distribution of Dividends Earned.
4. Distribution of Realized Profits.
5. Automatic Reinvestment at no cost.
6. Bank Custodian Services.
7. Certified Public Accounting.
8. Monthly Accounting and Reminder Notices.
9. Periodic Fund Reports.
10. Accelerate or De-celerate Monthly Investments without penalty.
11. Low Cost Completion Insurance.
12. 90% Withdrawal Privilege.
13. Redemption of Shares at no cost.
14. Transfer Privileges.
15. Systematic Withdrawal Plan.
16. Use as Collateral.
17. Tax advantages.
18. Designation of Beneficiary.