

To Individual Representative Letterhead

March 4, 2004

Barbara Z. Sweeney  
NASD  
Office of the Corporate Secretary  
1735 K Street, NW  
Washington, DC 2006-1500

By email to [pubcom@nasd.com](mailto:pubcom@nasd.com) and first class mail

Re: Proposed change to reduce the trailing commissions

Dear Ms. Sweeney,

By NASD Notice to Members number 04-07, you provided notice to my broker dealer, Futures Investment Co, that the NASD intends to revise the Direct Placement Rule to limit my continuing compensation for Commodity Pools to my share of only one percent (1%) per year.

I have been a registered representative for over twenty years. Currently, 90% of my business has been devoted to the sale of direct placements with Commodity Pools. For those accounts, not only do I have to make the original sale, but I must also follow-up to monitor the financial needs of my client and be certain they fully understand the direct placement they hold on a continuing basis. This type of investment takes massive amounts of extra time to communicate with the issuer, to read documentation, and to keep abreast of the financial condition of the investment and the markets. Should you eliminate or reduce the trail paid to my broker dealer, that will in turn reduce the payout to me and I will be unable to afford to spend the time necessary to educate, sell, and service such a demanding investment like Commodity Pools. In my opinion, the NASD proposed change would not only destroy a proven alternative investment medium, but would deny investors with a means of diversification that today's investment environment so desperately needs. To compare the expertise required for selling oil and gas or equipment leasing or real estate trusts to the selling and servicing of Commodity Pools is like comparing a kindergarten education to a PhD. Such effort and knowledge and service deserve the extra compensation.

Sincerely,

Michael P. Pacult