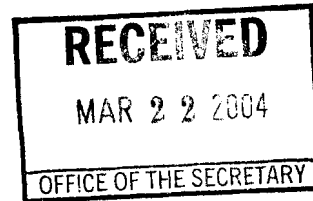


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1716 Alpine Meadows Lane  
Unit 506  
Prescott AZ 86303-4971  
15 March 2004



Jonathan G. Katz, Secretary  
U. S. Securities and Exchange Commission  
450 Fifth Street, N. W.  
Washington, D. C. 20549-0609

Dear Sir

Reference is made to your new proposed Mutual Fund Disclosure Forms and Proposed Rule S7-06-04.

While the proposal is well intentioned, it is just another case of where the cost of the application exceeds the worth of the results. Sometime, common sense is going to return and we will realize, just as we finally did with prohibition, that you can not protect everyone from everything all the time. There is nothing in this proposal that can not be found in the mutual fund prospectuses if the investor is willing to read. However most of them will not, and do not really care. I remember when the rule was instituted that required all bank affiliated brokers to inform their customers that investment securities were not FDIC insured. While it is well intentioned, it has been a costly rule, and even though they are informed, a lot of customers do not hear or see the message although it is provided. Implementing this rule will have similar results.

At this time, efforts should be focused more on how to reduce the transaction costs rather than pile on layers of more regulation that only add to cost. The true costs of this regulation will not be disclosed via the proposal. The true costs will be what is expended by the broker/dealer in handling the transaction and complying with this new rule.

The SEC should refocus its efforts on its true mission and that is in discovering and correcting transaction fraud at the issuer. It is unfortunate that the lead party in this mission is the Attorney-General of the state of New York and not the SEC. We really do not need 50 different investigations rather than the one preemption that the SEC could have provided. The investigations, compliance, and settlement costs along with all the corresponding legal costs will somehow be born by the investors. What should have happened is that these expenditures should be absorbed by the fund manager with a firewall preventing the charges from being passed on to the individual investors.

I see no cost benefits in the proposed rule and it should be rejected.

Sincerely

A handwritten signature in cursive script, appearing to read "Robert A. Ulrich".

Robert A. Ulrich