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OFFICE OF THE SECRETARY

Jonathan Katz, Securities and Exchange Commission
450 Fifth St. NW
Washington DC 20549

March 19, 2004

File NO. S7-11-04

Re: Mandatory Fee on Redemption

Dear Gentlemen of the OMB

I believe that we need to come up with a better solution than the proposed Rule for a mandatory redemption fee of 2 per cent.

There is not much problem with market timing mutual funds in Great Britain.. On March 18, 2004 there was an article published in CBS.MarketWatch.com stating that the reasons were "The British fund industry is structured somewhat differently than in the U.S. For one, investors cannot wait until the end of the day to buy a fund at that day's net asset value. Investment funds have a cut-off time--it's different for each fund, but it could be 10a.m. or 12 noon--and then orders are priced at the next day's opening prices, a concept called forward pricing."

One of the reasonable alternatives to the mutual fund problem solution would be "forward pricing". Another solution would be to require the settlement of the sold fund first before another fund can be bought. This usually takes three days itself.

These are only a few of the reasonable alternatives to causing catastrophic charges to small businesses that will be hurt by the new incoming rule.

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