



AAI Baton Rouge Chapter
Rule Comments
Proposed Rule on Mutual Fund Disclosure Forms
 (SEC File No. S7-06-04)

436

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 OFFICE OF THE SECRETARY

Please be aware that all comments we receive will become part of the public record of what we considered in this matter. Please return the comment form to the SEC representative of your comments to the following address:

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

Comments: BROKER SHOULD PROVIDE ALL SHARE CLASS INFO OF SAME / SIMILAR FUNDS TO PROSPECTIVE INVESTOR. THE EXPENSE RATIO DIFFERENCES AND TOTAL FEES, EXPENSES AND COMMISSIONS BASED ON AMOUNT INVESTED SHOULD BE GIVEN FOR 1, 3, 5, 10 YEAR PERIODS. EASILY DONE WITH COMPUTERS TODAY! THE EXPENSES OF INDUSTRY AVERAGE FOR FUNDS IN SAME CATEGORY (E.G. LARGE CAP STOCK, SMALL CAP STOCK, INTERMEDIATE U.S. BOND, ETC) FOR BOTH LOAD AND NO LOAD FUNDS SHOULD BE PRESENTED TO INVESTOR. THE AMOUNT OF MONEY MADE PER YEAR BY BOTH BROKER / SALES PERSON AND SALES COMPANY SHOULD BE BOTH VERBALLY AND IN WRITING GIVEN TO INVESTOR.

FREQUENT PURCHASES / REDEMPTIONS: ALL ~~ALL~~ ^{OPEN} ENDED MUTUAL FUNDS SHOULD HAVE A MANDATORY 5 DAY WAITING PERIOD BEFORE SALE OF ~~SOME~~ ANY SHARES FROM SAME FUND OR PAY 3% REDEMPTION FEE. A REDEMPTION FEE OF 1% FOR SHARES SOLD WITHIN 30 DAYS.

CLARIFY SPECIFICS ON HOW, WHEN AND WHY FAIR VALUE PRICING IS USED

Redemption fees required on all funds, esp international stock and bond funds. Lift 2% cap on redemption fees. Introduce tiered redemption fees

No exceptions should be allowed in any circumstances for one investor vs. another in same fund. No favorites! No disclosure of portfolio securities or details to any party other than total disclosure as required by SEC Rules to everyone.