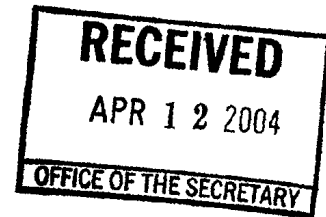


March 27, 2004



Attention Jonathan G. Katz, Secretary
Security and Exchange Commission
450 5th St. NW
Washington, D.C. 20549-0609

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Attn: File Number S7-11-04,


Dear Sirs,

I would like to address the issue of the Rule for Mandatory Redemption Fees On Mutual Funds.

On page 4 of the Report of the Omnibus Account Task Force it mentions that "...the costs associated with such an endeavor would be extremely high, and ultimately could be borne by investors or force some processors, such as small TPA's to go out of business." We are one of the processors which would be forced out of business if Rule 22c-2 passes. Especially since the future of the social security system is in extreme doubt before the year 2020, pension plan and 401-K administrators such as ourselves play an important role in the future of the baby boomers. We estimate the initial costs to organize our information systems to hold and transmit the required data at our small enterprise alone to be \$540,000.

Since the mutual funds refuse to comply with fair value pricing, they should be responsible for all of these expenses. Why reward mutual funds with 2 per cent fees for their non-compliance? They are getting ready to laugh all the way to the bank.

"More than half of the funds questioned, all of which held half or more of their assets in foreign securities, said they had only used fair-value techniques five times or less during that period." ("Wall Street Journal", March 24, 2004 page C1).


Matt Kendall
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Tulare, California