

May 2, 2005

Sir or Madam:

The above-referenced rule should require that the mutual fund company estimate the cost of the redemption to the fund, and set its redemption fee accordingly. It is too easy for a fund company to set an arbitrary fee that has no relationship to cost. If a company is required to do its homework and estimate the cost of the redemption then I as an individual investor will be protected from arbitrary redemption fees.

This rule should have an exception for errors. One company with whom I have an account has made errors that might have been subject to a redemption fee.

Michael Klein