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Securities and Exchange Commission  
Washington, DC 20503

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File NO. S7-11-04

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Re: Mandatory Fee on Redemption

Dear Staff Members of the OMB

Our small business will be crippled if there if the push to pass the new Redemption fee rule is successful. The mainstay of our profitability is with setup and maintenace of retirement plans. It will cost close to \$310,000 to just setup the program for the 2 per cent fee on funds redeemed or exchanged after five days. I am sure that the SEC can come up with a better solution.

In the United Kingdom there isn't such a problem with market timing mutual Funds. To quote the article by Emily Church, CBS.MarketWatch.com March 18, 2004, "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."

The concept of "forward pricing" is a much more reasonable alternative to the problem and would be much easier on small businesses such as ours.

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