

To: Jonathan G. Katz, Secretary,  
Securities and Exchange Commission  
450 Fifth Street, NW, Washington, DC 20549-0609.

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**Subject:** File No. S7-06-04

I have a suggestion regarding the disclosure of total share class costs in mutual fund prospectuses, as required by the SEC (relating to Form N-1A).

I think it would be beneficial to the public, to investment industry professionals and to regulators if additional total cost tables were included in the prospectus to reflect higher dollar amounts invested – specifically, I think that a share class cost table should be added for each breakpoint level, in order to estimate the associated total share class costs when discounted sales charges are available.

Currently, every fund's prospectus provides a total share class cost table Example for a \$10,000 investment only. The \$10,000 table is useful for investors who purchase that dollar amount of mutual funds, but it does not help the investor who invests a high enough dollar amount to qualify for discounted sales charges on A shares.

When discounted sales charges on A shares are available, the impact on the total share class cost must be calculated, which is very time-consuming, especially when several funds are being considered. I have spent many hours using the SEC and NASD mutual fund expense analyzers (available online) to calculate the impact of discounted sales charges on the total share class cost for mutual funds, but it is a tedious process, and the results vary depending on the underlying assumptions used.

With regard to this proposed change in the requirement for disclosure in the prospectus, I suggest that the same assumptions be used for the additional tables, as are currently used for the \$10,000 Example, with the inclusion of the respective discounted sales charge on the A shares for each breakpoint level offered (e.g. \$50,000, \$100,000, \$250,000, \$500,000, \$1million).

I think that the public, the brokers, the broker-dealers and regulators would all be well served by including the additional share class cost tables in the prospectus, in that the information would be readily accessible to all, and it would be presented in an understandable and consistent format across mutual funds, just as with the \$10,000 example which is currently available in the prospectus.