

November 13, 2004

Secretary Jonathan Katz

Dear Secretary Katz,

As an investor advocate, I commend the Commission for its bold step to require brokers to provide pre-sale disclosure of costs and conflicts of interest when they sell mutual funds. However, I am concerned that certain aspects of the proposal, including the proposed timing, content, and format of the disclosures, need improvement.

I would like to see the following changes in your proposed rules in the matter of sale of mutual funds:

- 1) provide to the buyer with written disclosures before the mutual fund sale is completed, rather than after the sale;
- 2) include in the disclosure the operating costs of the mutual fund, including costs related to the actual sale of the mutual fund;
- 3) please, no legalese! Provide for disclosures written in a simple way that ordinary investors can understand.

Thanks for considering my concerns.

Sincerely,

Ms. Ana Salinas