S7-11-04

April 28, 2004

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

Dear Mr. Katz:

I am writing to express deep protest against the proposed rules mandating redemption fees. Although there are many reason why I am strongly opposed to these, let me group them into two categories:

(1) **Such fees are unnecessary and intrusive**
Funds already have the ability to impose fees if they, as the businesses, determine fees are necessary. And clients have the rights to move their funds elsewhere if they do not like how the firm is being run. Mandating such fees is an unnecessary intrusion. Moreover, if I understand fair-value pricing correctly, it should take care of the discrepancies which may encourage timers to see certain situations as arbitrage opportunities.

(2) **Such a rule would cause more harm than do good.**
The costs of such a rule would likely cost everyone more money. I note the SEC's estimate of administering such a rule to be hundreds of millions (or more) of dollars. Moreover, it seems to discriminate between long-term shareholders and short-term shareholders, and, further, does not discriminate upon short-term holders with real need versus short-term shareholder "opportunists".

For all such reasons, I plead with you to block this rule before it ever is imposed.

Sincerely,

Steven Prusky