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

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Funds already have the freedom to impose a 2% redemption fee where they can prove that it harms long term investors. The new Mandatory redemption fee proposal requires that they do so even where no harm is felt.

The struggling broker dealer company who I keep books for will be rendered into Chapter 13 if the new rule passes. The company depends on mutual fund trades for survival.

It will be necessary to pay for technology to track investor-level activity for purposes of determining when individual investors are subject to the redemption fee, to calculate the fee and inform the mutual fund when a redemption fee should be received by the mutual fund. Whether it is done by the method your proposal describes as (b)(2) or (b)(3), the costs will be nearly the same. Following the guidelines of the new rule, including the weekly information, will cost approximately $420,000 the first year here . Then an ongoing cost of $175,000 per year, but increasing each year, depending on how long the data must be kept. After a certain undefined period the system will likely break down.

Even though the proposed rule states that under paragraph (b) (3) there are no "Collection of information requirements", nonetheless, collection of information must be done. The cost ***will not be zero*** as implied in the Proposed Rule 22c-2.

Respectfully Yours,

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