May 3, 2005

Thank you for addressing these much needed reforms regarding mutual fund practices.

My comments on proposed File 57-11-04 are:

I continue to be concerned that mutual fund companies, which are the target of the SEC abusive practices investigations, not be allowed to use their transgressions as a spring board to another revenue stream. To reward them would be a miscarriage of justice. Therefore, I strongly believe that any short-term redemption fees imposed upon shareholders be tied to actual costs incurred by remaining shareholders in the fund, not some arbitrary standard. To do otherwise is not equitable and would be violating the fund's fiduciary duty to the redeeming shareholders.

If a pattern of trading is to be deemed abusive, I believe such patterns must be clearly described in the prospectus, or shareholders will be subject to the whims of the mutual fund companies, many of which have proven they can't be trusted with that level of authority. As a money manager, I need to know what is OK and what is not, or this undertaking of the past several years will be naught.

Additionally, I hope any new regulations will be structured to not penalize shareholders for any hardship withdrawals, errors which need correction, or small withdrawals in relation to investment size. If a shareholder also has previously owned (older) shares, redemption fees should not be applied if there were also new purchases.

Thank you for your consideration.

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