

September 14, 2006

From: Gregory D Barnes CPA  
Retired Assistant Professor of Accountancy  
Clarion University of Pennsylvania

To: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

Subject: File No. 3-11524

### Comment on Proposed PBHG Settlement Distribution

I apologize for not commenting earlier but I opine that the published material accessible to date over the past 3 years has been too little, extremely incomplete, and tardy. The nonSEC website listed in the proposed settlement remains incomplete and of little use since its inception about 60 days ago on July 31. The SEC website announcements over the past 3 years about a potential PBHG settlement have also been very infrequent and of little informative utility to former PBHG funds potential claimants.

I had substantial personal investments in PBHG funds from the early 1990's to the very early 2000's. I concentrated my investments in the PBHG Technology and Communications Fund which apparently suffered significant insider trading/timing abuses.

I am opposed to contributing ANY claim settlement funds to nondamaged PBHG individual shareholders. Specifically I opine as unfair to the actually damaged PBHG funds unitholders for the PBHG Settlement Fund to contribute to the current or subsequent PBHG fund shareholders who were not damaged by the earlier timing abuses. PBHG settlement funds should only be distributed to those PBHG fund shareholders who owned units during the period in which their fund actually incurred timing/insider trading abuses.

I have read all the pages of the published proposed settlement authored by Dr. Lehn. Part 6 Methodology Used to Develop Distribution Plans appears to be fair and appropriate. However, I confess do not understand much of the explanation because of my limited knowledge of statistics. I agree with Part 7 The Distribution Plan, including the "deminimus" \$ 10 floor cutoff for claimants to receive damages in paragraph 7.8. But I disagree with the proposal in paragraph 7.9 that would benefit undamaged individuals, subject to my below qualification.

Unless the incremental costs of reprocessing exceeds the incremental dollar benefits to be mailed to actually damaged claimants, I opine that: deminimus claims, the unlocatable claimant benefits, and the ultimately uncashed benefit checks should all be redistributed to actually damaged and locatable claimants. Thereby these aforementioned benefits should not be distributed to the current PBHG funds as suggested in paragraph 7.9.

I am very disappointed in the slow and relatively nonpublic PBHG settlement process. As an apparent major monetary victim of these PBHG abuses, I opine that the public information available about a potential PBHG funds shareholder claims settlement has been virtually nonexistent for the past three years. When information was published it appeared to be both tardy and incomplete. I have never received any communication from any party, and not in any form, about a potential PBHG funds settlement. I do not even know if the party processing the settlement claims has my investment history data nor if it has my current address. I have no known means of contacting the PBHG claims processing party because their name, address, phone number, and other contact information has not been published to my knowledge, not even on the two private websites or the SEC website.

Approximatley when will the settlement checks be mailed and how do I learn if the settlement administrator has my PBHG funds accounts history and my current mailing address?

Thank you for time and consideration, Gregory D Barnes CPA.