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August 8, 2006

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Attention: Nancy M. Morris

Re: File Number S7-03-04

Members of the Commission:

I believe I have an informed perspective on the mutual fund industry with which I've been involved for the past 38 years. During that time, I've been a senior executive with three fund companies which included being President and CEO of a large fund complex, an interested director for 5 years and an independent director of Prudential Mutual Funds for the last 8 years.

I strongly urge you to have the proposed rules on an independent chair and 75% independent directors implemented as soon as possible.

My rationale is as follows:

- . It's my understanding that over 60% of the industry is already in compliance.
- . The cost of compliance for most complexes will be de minimis. In our case, the extra cost is primarily the additional compensation for the independent chair which is \$25,000. I largely dismiss opponents of the rules who cite the economic costs of implementation as additional costs are really reflective of new regulations or legislation, such as Sarbanes-Oxley.
- . We voluntarily implemented both proposed rules over three years ago. I strongly believe that the tone and tenor of our board meetings and our relationship with management have been very positively impacted by our having an independent chair and see no reason why this wouldn't be the case with other fund complexes as well. This would clearly be in the best interests of fund shareholders.

. The optics of the concepts are extremely positive vis-à-vis fund shareholders and that has been reflected in the many comments shareholders have submitted to the Commission.

. I don't believe this issue would still be alive had it not been for the opposition of firms like Fidelity and Vanguard. And, given the fund industries' misdeeds of the past few years, I find it disingenuous for the industry, director organizations and fund organizations to oppose the Commission on these proposed rules.

In summary, fund boards, under the guidance of an independent chair and at least 75% independent directors, produce benefits to fund shareholders and the industry as a whole that far out weigh the minimal real or perceived costs.

Thank you for the opportunity of submitting my thoughts and beliefs.

Respectfully submitted,



Richard A. Redeker
Independent Director
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