

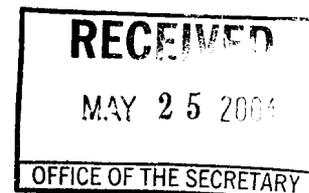
PAUL N. CARRON
1709 - 31st Street
Two Rivers, Wisconsin 54241-1731
Phone 920-793-4714

156

May 17, 2004

Securities and Exchange Commission
Mr. William H. Donaldson - Chairman
450 Fifth Street NW
Washington, DC 20549

57-09-04



Dear Mr. Donaldson:

I am writing this letter as a citizen concerned about mutual fund fees.

Specifically, we need to change the rules by which funds charge fees. Suppose an investor gives a broker ten thousand dollars to buy a fund which charges a 5% front end load. The transaction should work this way: the broker indicates \$9,500.00 is being invested then gives the person a separate invoice showing \$500.00 has been taken as the load.

Continuing with this same example, let's say the fund then has an expense ratio of 1.3% along with a 12b-1 fee of 0.25%. At the time those expenses are assessed the fund should be required to send invoices showing \$123.50 and \$23.75 have been charged.

Current rules date back to the 1940's and they allow funds to mask and hide fees. Instead of sending invoices they only have to publish vague, nebulous percentages in the fine print buried deep in a prospectus. Even those percentages fall short of full disclosure as funds avoid reporting "soft dollar" commission rebates. It's time to modernize this system. I believe large numbers of investors are duped into not fully understanding how much they being charged for mutual fund services.

Mr. Donaldson, I would like to ask that you please try to improve the rules by which mutual funds charge fees. With modern computers it should be easy for funds to report all expenses and they should be required to show each investor his or her charges in terms of dollars and cents. Thank you.

Best Regards,

Paul N. Carron
Paul N. Carron