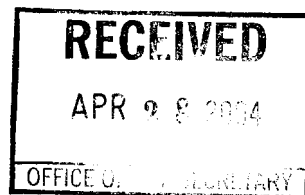


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Jonathan G. Katz, Secretary
Securities and Exchange Commission
Washington, D.C. 20549-0609

March 22, 2004



File NO. S7-11-04

Dear Sirs

The Mutual Fund Industry wholeheartedly backs new 2% Fees, irregardless of what they are for, but this will hurt the small brokerage firm which I consult for.

The smallish independent brokerage firm which I consult for will need to replace their networking system entirely because communication of information on a transaction-by-transaction scenario will cause a total system breakdown. The costs of installation of the new system will be about 1.3 million dollars. Storing the shareholder information and following the recent trading activity to track purchases and redemptions and applying redemption fees on a transaction-by-transaction basis will not be possible on the present system. If the data could be transmitted quarterly this could be within the budget.

There is room on the present system for quarterly information. There is no possibility of passing the costs on to the investors because the company will be out of business as soon as rule S7-11-04 passes.

Lloyd Drucker, Accountant
Littlefield and Drucker
Westwood