

S7-27-03

ESI05001

SEC-Donaldson01

John David Marks
5077 Moor Dale Circle
Salt Lake City, UT 84117-6934
801-278-1092
Friday, December 05, 2003

#21

Mr. William Donaldson
Chairman, Securities and Exchange Commission
450 5th Street, N.W.
Washington, DC 20549

Dear Mr. Donaldson:

COMMENT ON MUTUAL FUND REGULATION

Is there ever any reason to trade rapidly in mutual funds? Shouldn't Mutual Funds be long term investments?

Please institute the following trading schedule of minimum fees to be paid by the short term trader exclusively to shareholders of the fund. Such fees should be devoid of any charges by the fund company.

Length of time between buy and sell	MINIMUM Fee, percent of transaction
24 business hours or less	10 %
48 business hours or less	5%
1 week or less	2%
1 month or less	1%

This will place all funds on an equal basis to discourage rapid trades. The fees after one week are not so high as to severely penalize those who make honest mistakes and have second thoughts..

This writer and his wife are investors in mutual funds for near thirty years. I am taking the liberty of copying this letter to our funds managements.

Respectfully,

John D. Marks

