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OFFICE OF THE
CHAIRMAN

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

Dear Chairman Donaldson:

The City of Durango Retirement Board is opposed to the imposition of a "hard close" for settlement of mutual fund orders for participants in a defined contribution pension plan, since it could negatively affect a participant's ability to engage in same-day trading. We believe, however, the method used to process trades should be fair and consistent, and not allow any manipulation of the markets.

Our record keeper has rigidly enforced the 4:00 p.m. Eastern-time close for same-day market orders, and settles these trades in the hours following the market close. We believe it is unfair to penalize the participants in our defined contribution plan for abuses that were committed by others. We are told the imposition of a "hard close" rule could force most participants to have a lag of a day or more to settle fund trades which are now handled overnight.

Currently our plan utilizes investment options from a number of different mutual fund companies. We encourage the SEC to adopt a uniform definition of "market timing." Without a common definition, participants could become confused about the different rules applicable to different funds. In addition, if our record keeper has to enforce multiple definitions of "market timing" among different funds, our participants may face increased administrative fees or restrictions.

Ours is a Social Security replacement plan with many small investors. Technological advances in recent years have enabled us to offer our participants many of the same opportunities available to larger investors, and at a reasonable cost. The imposition of a "hard close" on defined contribution pension plans may be detrimental to our participants and millions of small investors who enjoy the convenience of current trading practices.

We appreciate your consideration.

Sincerely,

Janice Bourret, President
City of Durango Retirement Plan Board

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