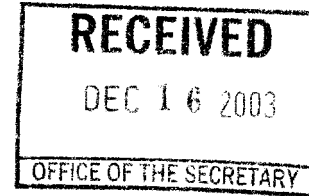


57-27-03

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November 17, 2003

Paul F. Roye, Esq.
Director
Division of Investment Management
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549



Dear Mr. Roye:

We are writing to express our concern with a proposal under consideration that would require all entities to submit mutual fund investment requests to the mutual fund by the fund's closing time, usually 4:00 p.m. ET.

It is imperative that the over 70 million individuals participating in 401(k) and similar employer provided plans enjoy a fair system that helps achieve retirement income security. Almost half of 401(k) plan assets are invested in mutual funds. The recent allegations and admissions of late trading and market timing irregularities with mutual funds undermine the successful employer provided retirement system. As sponsors of defined contribution plans, third party recordkeepers, and intermediaries, we fully support efforts to address the serious problems uncovered by federal and state officials. Late trading is illegal and has no place in our country's savings systems. Notably, we know of no evidence of any late trading within the employer provided retirement plan system. Additionally, the proposed change does not prevent continued fraudulent activity by some mutual funds.

It is essential that regulatory reforms avoid any unnecessary adverse impact on 401(k)-type plans. Imposing a "hard close" for order delivery to the mutual fund would disadvantage our participants in a number of ways. The plan would be required to cut off investment requests several hours earlier in the day in order to perform the necessary recordkeeping and compliance duties specific to 401(k)-type systems before the request can be sent to the mutual fund. This would relegate virtually all 401(k) plan participants to next day trading status, putting them at a disadvantage relative to other investors. Mandating a 4:00 p.m. close would require significant modifications to current recordkeeping systems at substantial cost to the recordkeepers and ultimately the employers and employees who sponsor and participate in these plans.

The proposed rule change has an important unintended consequence. Retirement plan service providers who offer a bundled package in which one company provides plan administration and investment funds are likely to enjoy an advantage in processing time over an unbundled system in which different parties provide recordkeeping services and fund investments, often with many different fund companies. This latter arrangement provides plan sponsors and participants with a more objective, diversified selection of investment options, which inherently provides greater retirement security.

All of these consequences can be avoided by focusing reform efforts on technological and procedural controls, subject to an independent audit, which can be implemented quickly at reasonable cost that will ensure that after hours trading is impossible. We feel strongly that the technology and auditing structures exist today to ensure the integrity of such a system. These transparent processes also allow the Securities and Exchange Commission to verify compliance with the requirement.

In closing, we believe that the reforms under consideration will greatly disadvantage participants in employer-sponsored plans despite the fact that the problems identified are outside of the defined contribution system. Additionally, the proposed change does not prevent continued illegal activity by some mutual funds. Any remedy should balance the interests of these investors and the ongoing viability of 401(k) and similar plans that offer the small investor an opportunity to make small, periodic investments at reasonable cost. We look forward to working with you in addressing concerns about late trading that will advance the retirement security of participants in 401(k) and similar plans.

American Council of Life Insurers
ASPA
Association for Advanced Life Underwriting
The Committee on Investment of Employee Benefit Assets
National Association of State Retirement Administrators
Profit Sharing/401k Council of America
Tooling & Manufacturing Association of Greater Chicago

The 401(k) Company
Adams-Robinson Enterprises, Inc.
Advanced Financial Services, Inc.
AEPCO, Inc.
Allen, Gibbs & Houlik, L.C.
Alliance Benefit Group
Applied Robotics, Inc.
ASC
Atico International USA, Inc.
Axia Advisory Corporation
B.C. Ziegler and Company
Benefit Strategies, Inc.
BISYS Retirement Services
Buenfuturo
California Cartage Company, Inc.
California Corporate Benefits Insurance
* Services-Linsco/Private Ledger
Charles Schwab & Co., Inc.

CMC Interactive, LLC
Columbia Benefits Consultants, Inc.
Columbus Retirement Administrators, Inc.
Crookham Company
Curcio Webb, LLC
DailyAccess Corporation
dataCon Inc Retirement Savings Plan
Defined Contribution Advisors, Inc.
EXFO Burleigh Products Group Inc.
Fast401k, Inc.
Findley Davies, Inc.
Flint Ink Corporation
Foot Locker
FPL Group, Inc.
Freedom One Financial Group
GEMGroup
GoldK
Graham-Garnett-Branson Retirement Group

The Graycor Affiliates
Greenville Tool & Die Company
HA&W Benefit Advisors, LLC
Haag Engineering Co. Employees Profit
Sharing Plan and Trust
Hand Benefits and Trust Company
The HAVI Group LP
The Herod Mattis Group, Inc.
Hewitt Associates LLC
Holmes Murphy & Associates
Illinois Tool Works Inc.
Independent Pension Consultants, Ltd.
InterNET RETIREment Solutions
Invesmart, Inc.
Island Holdings, Inc. Profit Sharing 401(k)
Plan
Kay Investments, Inc.
Kennedy Tank and Manufacturing Co., Inc.
Keys Federal Credit Union
KnowHow 401(k)
Kurt Salmon Associates
The Lawrence D. Vitez Corp.
Lockheed Martin Investment Management
Company
Management Service Inc.
Manulife USA
Marian, Inc.
Mark A. Davis Consulting, Inc.
Martin Tractor Company, Inc.
MassMutual Financial Group
McCready and Keene, Inc.
Mellon Human Resources & Investor
Solutions
Mikasa, Inc.
Millennium Trust Company, LLC
Milliman USA
Nationwide Insurance and Financial
Services

Nestlé Waters North America
News-Press & Gazette Company
North Star Trust Company
Nyhart
Pasadena Center Operating Company
Pathways Financial Partners
Pension Plan Professionals, Inc.
Pension Services of WNY, Inc.
Pension Specialists, Inc.
PensionTrend Investment Advisers, LLC
The Perry Fisher Company
Pulte Homes, Inc.
Qualified Plan Administrators, Inc.
Quick Solutions, Inc.
Radi Medical Systems, Inc.
Reber/Russell Company
The Retirement Analyst, Inc.
Retirement Plan Service Corp.
Retirement Plan Strategies, Inc.
Retirement Specialists Incorporated
Roberts Oxygen Company, Inc.
Schield Management Company
The Segal Company
Sterling Resources, Inc.
Texas Pension Consultants
The Trevethan Group @ Oppenheimer
Toledo Metal Spinning Company
Tomco Tool & Die Company
Transamerica Retirement Services
U.S. Trust Company N.A.
UBS Financial Services Inc.
VICORP Restaurants, Inc.
web401k.com, Inc.
Wells Fargo Institutional Trust Services
The Whittier Trust Company
Woodpecker Truck & Equipment, Inc.