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TOM BALDINI—DISTRICT DIRECTOR

May 14, 2004

Ms Jane Cobb
Director of Legislative Affairs
Securities and Exchange Commission
450 5th Street Northwest, Room 6100
Washington, D.C. 20001



Congress of the United States
House of Representatives
Washington, DC 20515-2201

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57-10-04

Dear Ms Cobb:

I appreciate your attention to the enclosed correspondence of my constituent, John P Moran. I trust you share my concern for this important issue. Please contact my office at 202-225-4735 with any questions.

Thank you for your time and consideration. I look forward to your response.

Sincerely,

BART STUPAK
Member of Congress

BTS/bk

RECEIVED

MAY 25 2004

Office of Legislative Affairs

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(906) 786-4504

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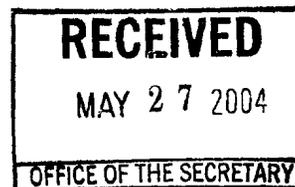
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Representative Bart Stupak
202-225-4744

57-10-04

May 9, 2004

Re: The Trade-Through Rule



Dear Representative Stupak,

I am a resident of the state of Michigan, have a bachelors degree from Williams College, an MBA from Columbia University and I spent more than twenty years as a specialist or market-maker on the floor of the New York Stock Exchange. I am very concerned about any modification to the current trade-through rule.

The Securities and Exchange Commission has put a proposal before Congress for a period of 75 days for comment by all interested parties. This proposal would allow transactions in equity securities to take place at prices other than the best prevailing one at the time of execution. This practice is not only illogical but would be very detrimental to the market, to individuals, to companies and to the economy.

In the early part of the last Century the New York Stock Exchange developed the ticker tape. As you know, the tape published all trades that took place on the Exchange and listed in time sequence the number of shares traded and the price. The willingness to openly disclose this information inspired confidence that everyone was on equal footing in the marketplace. The rules were the same for all participants. No one would receive special treatment. This faith in our equities market was accompanied by the greatest economic expansion the world has ever known.

If trades are allowed to take place outside of the best price parameters, it won't be your constituents that benefit. They won't be buying below the best bid or selling above the best offer but insurance companies will, banks will, mutual funds will and so will brokerage firms. This type of inequality will result in the type of self-dealing that will fragment our markets, making it more expensive to raise capital. When the cost of capital goes up economic growth and therefore jobs are hurt. We'll all be hurt.

Altering the trade-through rule may seem to be an insignificant and arcane issue. I assure you it is not. Please do what you can to preserve the rule in its current form.

Very Sincerely yours,



John P. Moran