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State of Indiana

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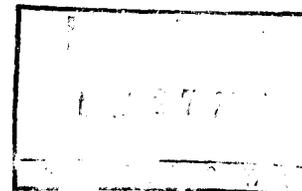
Senate

Senator Beverly J. Gard
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Committees:
Environmental Affairs, Chair
Health & Provider Services
Utilities & Regulatory Affairs
Energy Subcommittee, Chair

May 25, 2004

Hon. William H. Donaldson, Chairman
U.S. Securities and Exchange Commission
450 First Street, NW
Washington, DC 20549



S7-10-04

Re: File #S7-1-04

Dear Chairman Donaldson:

I am writing to commend you and the Commission for including provisions in the Regulation New Market System that would provide the investors of our country with more choices in the national securities markets.

The proposed "opt-out" provision, would provide more power to investors in determining how their orders are executed and on which factors are to be considered in that trade. Replacing "trade through" with "opt-out" would allow investors more flexibility in their trades. The rigid rules of trade-through executions deprive investors of the ability to choose between speed of execution and best price. The investor is clearly the loser in these situations.

Any change that will make the markets more investor-friendly can only serve to be in the best interest of the markets and the investor alike. I would encourage the Commission to consider the inexperienced investor and see that any change regarding opting-out is viewed with caution and that provisions are in place to protect those who are not as familiar with the markets.

Again, I encourage you to consider giving investors a real choice by including an opt-out provision as you complete your consideration of Regulation NMS.

Sincerely,

Beverly Gard
State Senator

CC: Commissioner Paul S. Atkins
CC: Commissioner Roel C. Campos
CC: Commissioner Cynthia A. Glassman

CC: Commissioner Harvey J. Goldschmid
CC: The Honorable Evan Bayh