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JAMES C. GREENWOOD
8th District, Pennsylvania

COMMITTEE ON
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SUBCOMMITTEE ON
EDUCATION REFORM
SCIENCE EDUCATION

Congress of the United States

House of Representatives

Washington, DC 20515–3808

November 6,2003

#289

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

Re: Securities Exchange Act Release No. **48355;** File No. SR-BSE-2002-15

Dear Chairman Donaldson:

This letter is to express my views on the above-referenced release regarding the approval of a rule change of a self-regulatory organization. I respectfully request that the letter be included in the public comment file.

I understand that the creation of a new entity called the Boston Options Exchange (BOX) has been proposed by a number of exiting exchanges. I understand further that the BOX will provide for the internalization of customer orders. Given the gross abuses of customer orders that we have witnessed in the equity markets, I encourage the Commission to proceed carefully before approving this rule.

I believe it would be unwise to approve the BOX until the Commission completes the release and consideration of a concept release on the effects of internalization and payment for order flow in the options markets. It does not make sense to allow what are universally considered controversial practices to manifest themselves even more in the options markets before a planned study on those practices is complete.

I also believe that the application should not **be** granted unless this new entity can guarantee investors price improvement across all options markets.

Thank you for your consideration of these concerns.

Sincerely,

James Greenwood

James **C.** Greenwood