Andrew C. Carr

June 8, 2006

Mr. Christopher Cox
Chairman Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549-0609

Re: File # SR-2006-23

Dear Chairman Cox:

The International Securities Exchange's (ISE) recent proposal to amend its cancellation fee is a continuation of their recent assault on the public, with a particular aim at sophisticated customers. I urge the SEC to stop the needless assault on public customers and restrict all US options exchanges from charging frivolous fees that limit completion in the marketplace to the detriment of the public.

Once examined one can see that the cancellation fee is simply a deterrent to anyone trading with experience and frequency. The ISE is quietly attempting to limit the public's access to competitively buy and sell options on their exchange. As there is no other way to update your option price than to cancel the bid or offer, a trader is forced to either accept an inferior price as the underlying moves against the trader, or cancel the order and receive a penalty. Thus the participants on the ISE exchange are broken down into two categories, those who can participate freely, and those who constantly accrue a penalty with the potential to become a monetary fee. Obviously the discrimination against public customers is to the benefit of those who have no such worry of a fee. ISE specialists directly profit from this fee by a decrease in option price competition. To further eliminate competition it is in the interest of those who have no potential of a cancellation fee to increase the parameters of the fee to be more inclusive and to increase the magnitude of the fee. The end result of the fee and all its iterations are less depth, less liquidity, and less competitive markets.

I also object to the practice of identifying options participants within classes. All markets participants should be anonymous. Any move to identify market participants invites abuse and discrimination. Clearing firms are designed to assure the validity of all trades. Why then is it necessary to discriminate one trader from another? The attempted abuse is clearly seen in the ISE's proposed cancellation fee, in which one class of trader is punished to the benefit of the ISE specialists.

While the ISE cites the increase in bandwidth cost as the reason for such a fee, it is obvious the primary objective of this cancellation fee is to limit competition. I urge the

SEC not to allow the ISE to try and “regulate away” competition to the benefit of some of its members. As stewards of the US marketplace the SEC should inform the ISE that regulation and manipulation of the public’s interest in the options market will not be tolerated. ISE should not be allowed to fill the holes in its current business model through anticompetitive policies, and discrimination prohibited by Section 6(b)(5) of the Securities Exchange Act of 1934.

Please feel free to contact me to further discuss this proposal at (708) 275-5898. Thank you for your time and consideration.

Andrew Carr
Investor

P.S.- If exchanges are allowed to price options in pennies, the public need to cancel orders will increase exponentially, creating an even greater deterrent to public participation.