



# Indiana State Council of Machinists

ES-107222

May 14, 2004

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Chairman William Donaldson  
US Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549

Re: File No. S7-10-04

Dear Chairman Donaldson:

The 5,000 members of my union that I represent in Indiana are covered by both private and public pension funds and are concerned with getting the most value for their pension dollars. This includes getting the stocks and bonds purchased by their managers at the lowest prices possible for their investments.

Getting the best price is compromised by the "trade through" rule in which speed of an execution of an investment transaction takes precedence and markets are able to ignore or "trade through" a superior price, if getting that price would slow down execution.

The proposed rule change being currently considered by the US Securities and Exchange Commission to ensure that modernization results in a fairer, more transparent and more efficient marketplace for all investors is one we can support. This National Market System (NMS) proposal includes a provision for traders to opt out of the "trade through" practice.

It is time for a change. The members I represent wish to express our support for the NMS proposal, including its "opt out" provision regarding the "trade through" rule.

I write on behalf of IAM members to ask that you vote in favor of the NMS proposal to include an opt out provision that allows investors to take advantage of the proposed reforms without onerous requirements.

Sincerely,

Fred E. Roberts  
Secretary-Treasurer  
Indiana State Council of Machinists

