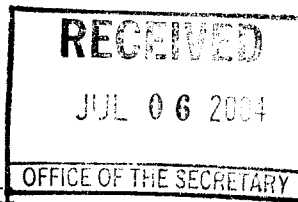


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CONDUCT

Steven C. LaTourette

Congress of the United States

14th District, Ohio

June 24, 2004

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Mr. Jonathan G. Katz
Secretary, Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549-0609

S7-10-04

Re: File No. S7-10-04

Dear Mr. Katz:

I write to offer my comments on proposed Regulation NMS. There is no doubt that the Commission has grappled with the future of market structure for a long time, and despite many options, I would like to lend my qualified support for Regulation NMS – particularly reform of the trade through rule.

Advances in technology and the evolution of high-speed communication networks have rendered the trade through rule an outdated and costly anachronism. While I would have preferred the Commission to simply repeal the trade through rule in its entirety, and am uncomfortable applying the rule to stocks listed on electronic markets, I believe the proposed rule will give markets the incentive to implement cutting-edge technology, allowing greater certainty of execution for investors at the best price available. In addition, the opt-out provision will provide a market mechanism that will give markets the incentive to compete for an investor's order. With these critical components, the rule will usher in greater competition, lead to more transparency, and benefit all investors.

Thank you for the opportunity to comment on this issue, which is so important to the continued strength of America's capital markets. I remain

Very truly yours,

Steven C. LaTourette
Vice-Chairman
Subcommittee on Financial Institutions
and Consumer Credit
Committee on Financial Services