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Congress of the United States
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March 15, 2004

Mr. William Donaldson
Chairman
U.S. Securities & Exchange Commission
450 Fifth Street, NW
Washington, DC 20549

S7-10-04

Dear Chairman Donaldson:

I write to register my deep concern and serious reservations over the four interrelated proposals regarding Regulation NMS now before the Commission. Supposedly designed to modernize the regulatory structure of the U.S. equity markets, it is my opinion that the proposals, especially those regarding the "trade-through" rule will, if adopted, be counter to the 1975 Congressional mandate of a "linked" national market system (NMS), and have no other effect than to severely weaken protections for the average investor to obtain the best price – the best execution when buying and selling publicly traded stocks.

To weaken the "trade-through" rule in any manner, either through "opt-out", or "de-minimus" exceptions will disenfranchise some investors from obtaining *at all times*, the best price when trading stock. At the end of the day, a proposal that leaves any market participant isolated and at a disadvantage is not a system which passes the critical test of a great marketplace – that of inspiring investor confidence and trust.

It is my understanding that the 1975 Congressional mandate for a National Market System (NMS) intended to "link [markets] together electronically so they may compete, making for broader, deeper, and more liquid capital markets..." The clear purpose of this mandate was to benefit the public interest, to provide for the protection of investors, to allow for economically efficient execution of securities transactions, and to facilitate the maintenance of fair and orderly markets by ensuring fair competition among the various competing exchange markets. It is abundantly clear that this mandate did not intend for any market participant to ever be allowed to "opt-out" of best price obligations. Nowhere in the 1975 mandate is the language or even the idea of "opt out" implied or considered.

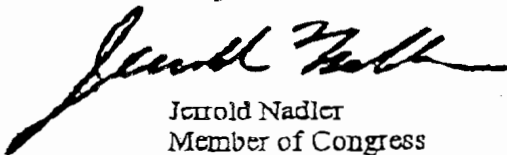
I ask that the commission today fully realize the intent of the 1975 Congressional mandate with the creation of an electronically linked quotation system, where regardless of market center, physical trading floor or electronic communication network, the best

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bid and offer, and the ability to obtain *the best price* is credible, clear, obvious, and apparent to all market participants

In conclusion, I believe that the best price is worth demanding. Therefore, I ask that the commission take all necessary steps to realize and enforce the 1975 Congressional mandate for a National Market System NMS. The technology today to credibly link all markets together, to process and disseminate real time price information is most certainly available to all market participants. Mr. Chairman, I welcome the opportunity to further discuss my positions, and thank you for your time and consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Jerrald Nadler", written in a cursive style.

Jerrald Nadler
Member of Congress