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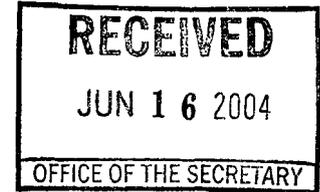
MINNESOTA SECRETARY OF STATE OFFICE

Mary Kiffmeyer, Secretary of State

May 26, 2004

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

57-10-04



Dear Chairman Donaldson:

As you consider reforms to our national market system and the rules and regulations governing America's securities markets, I encourage you to keep in mind the wants and needs of Minnesota investors and pensioners. As a member of the Minnesota State Board of Investment, I am committed to ensuring our public pensioners will have a secure financial future.

I write in support of repealing or modifying the "trade-through rule" of the New York Stock Exchange. The rule is outdated and denies investors, including large pension investors, the choices they need to make the right trading decisions for their financial future. When created, the rule was intended to protect investors from unscrupulous traders who could use information unfairly to disadvantage small investors and customers. Given modern communications equipment, the Internet, and the advances in electronic trading, the "trade-through rule" now protects those same traders from the very competition that would guarantee the "best price" to the trading public.

Technology is creating a truly efficient marketplace. On the NASDAQ, for example, trades are happening in real time, transaction costs are being reduced, transparency is real, and spreads are being narrowed. Investors are winning and specialists are losing.

In contrast, the NYSE requires all buy and sell orders be traded through a specialist on the floor. This process is opaque, trades require ten to thirty seconds, on average, to complete, and the "trade-through" process lends itself to potential timing and corruption.

Please consider the reforms before your Commission to modify or repeal the "trade through rule". The American investor requires efficient, transparent, and ethical markets to grow our economy and secure their financial future.

Sincerely,

Mary Kiffmeyer
Minnesota Secretary of State