



The Public Advocate for the City of New York

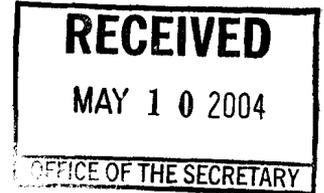
Betsy Gotbaum
Public Advocate

Ref: File # S7-10-04

May 3, 2004

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

124



Dear Mr. Katz,

I am writing to you in support of a basic principle: the right of investors to obtain the best price at all times. It is a right that seems so intuitive it should scarcely need to be defended. But, as you know, there are four interrelated proposals presently pending before the Commission which threaten to remove the obligation that those purchasing or selling stock always do so at the best available price.

As a citywide elected official, I represent more than 8 million New Yorkers, and advocate on their behalf. It is clear to me that this rule change would materially harm their interests. Investors deserve to know that at all times, under all circumstances, those executing trades on their behalf will do so at the best available price. Removing that assurance would undercut confidence in the marketplace, a singularly grave prospect.

I also serve on the board of the New York City Employees' Retirement System (NYCERS), one of the nation's largest public pension funds. I am disturbed by the notion that these proposed changes could weaken the protections afforded to investors, and feel that it is my fiduciary responsibility to voice my objection to the plan.

I am convinced that the best price ought to be offered to investors. I hope that you will preserve the National Market System as it was intended to be—electronically linked exchanges that provide for broader, deeper, and more liquid capital markets. I appreciate your taking the time to consider this letter, and look forward to learning of your decision.

Sincerely,

Betsy Gotbaum

