



**Walton County
Republican Executive Committee**
323 Lakeview Drive • Santa Rosa Beach, Florida • 32359

ES 107180

May 20, 2004

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The Honorable William H. Donaldson
Chairman
United States Securities and Exchange Commission
450 First Street, Northwest
Washington, DC 20549

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OFFICE OF THE SECRETARY

Subject: File # S7.1.04

Dear Chairman Donaldson:

I am writing to voice my concern about the Commission's lack of willingness to extend the trial period for the *de minimus* to all listed stocks.

As the Commission has noted, "These rules were designed when the order routing and execution facilities of markets were much slower, intermarket competition less keen, and the minimum quote increment for exchange-listed securities was 1/8 of a dollar." Is it apparent that, with today's market changes, such as decimalization and electronic technology, the trade-through rule may not be in the best interest of investors.

The Commission would also have to agree that an "opt out" exemption would give buyers and sellers alike more freedom to choose when and how their trades are executed. Shouldn't an investor be allowed to consider more factors than "best advertised price" when trading?

I am asking the Commission to consider its own conclusion that a three-cent exemption "will, on balance, give investors increased liquidity and increased choice" and therefore vote to leave the exemption in place.

Sincerely,

Lane Rees
Walton County Vice Chairman
Republican Party of Florida

CC: The Honorable Bob Graham
The Honorable Bill Nelson
CC: Commission members: Paul S. Atkins
Roel C. Campos
Cynthia A. Glassman
Harvey J. Goldschmid