

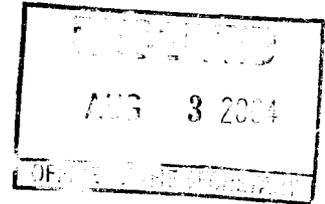
Congress of the United States

Washington, DC 20515

ES 108242

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Chairman William H. Donaldson  
U.S. Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, DC 20459



Re: SEC Release No. 34-49408; File No. S7-10-04;

Dear Chairman Donaldson,

History has shown that a free market system provides the greatest diversity of goods and services at the best price. When markets flourish, everyone benefits from the competitive system that drives innovation and success. When government tries to manage the market, though, they inherently raise barriers and cause problems that limit the individual's ability to succeed.

The Securities and Exchange Commission is currently reviewing the public comments submitted regarding proposed Regulation National Market Structure. We are pleased with the initial rule proposed to ease the regulatory restrictions that currently restrict an individual's ability to control how their purchase or sale is handled. Specifically, we are pleased to see that the SEC proposed easing the trade-through rule through an opt-out provision. This is a good first step.

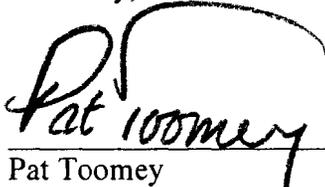
But we urge you to take the logical next step and simply repeal the trade-through rule. As is seen in the trading of NASDAQ securities and the three Exchange Traded Funds currently trading with no such rule (or a *di minimus* exception), consumers are fully capable of participating in an open market without the government 'looking out for their best interests.' This rule is simply not needed in a modern market. Similarly, SEC statistics show that sometimes investors get a better price by seeking the "best" price, but sometimes they receive a worse price. No government rule should determine if this is an acceptable risk and whether or not an investor should always take it.

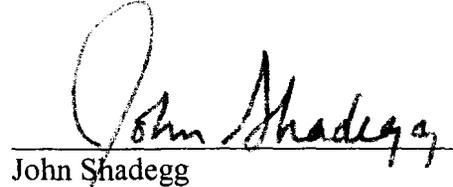
A free market economy is one where buyers and sellers choose what they want to buy and sell and how they want that transaction to take place. If a consumer is not happy with how he or she is treated in the marketplace, they will find one that better suits their needs. The government should not to require them to use a certain market or method for their trades. The SEC was right to emphasize in its proposal the continuing duty of a trader to get their customer "best execution." Together with the fiduciary duty any agent already owes to their customer, this is the true defender of the individual.

As Nobel Laureate Milton Friedman once wrote, "An essential part of economic freedom is freedom to choose how to use our income." Return this essential freedom to the

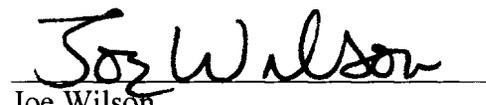
American investor. Repeal the trade-through rule and bring a truly free market system to our national financial markets.

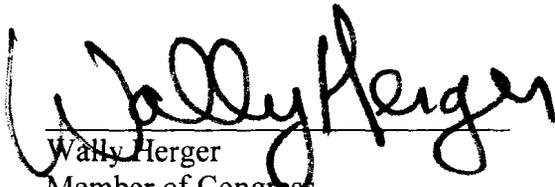
Sincerely,

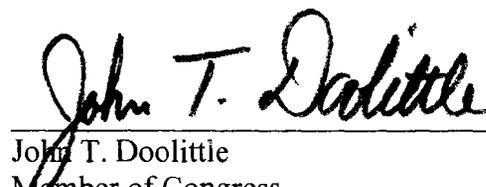
  
Pat Toomey  
Member of Congress

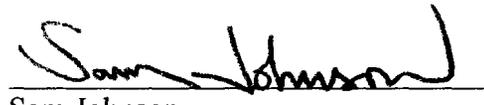
  
John Shadegg  
Member of Congress

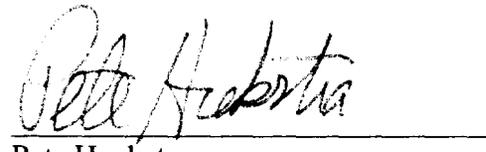
  
Walter B. Jones  
Member of Congress

  
Joe Wilson  
Member of Congress

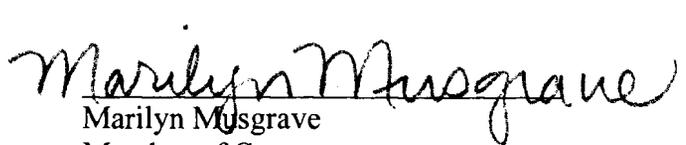
  
Wally Herger  
Member of Congress

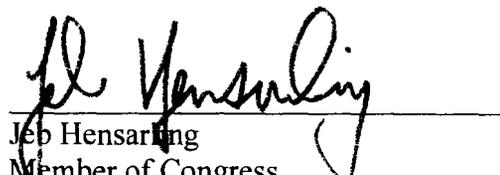
  
John T. Doolittle  
Member of Congress

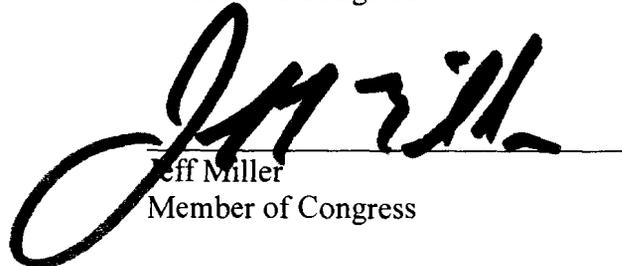
  
Sam Johnson  
Member of Congress

  
Pete Hoekstra  
Member of Congress

  
John Culberson  
Member of Congress

  
Marilyn Musgrave  
Member of Congress

  
Jeb Hensarling  
Member of Congress

  
Jeff Miller  
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