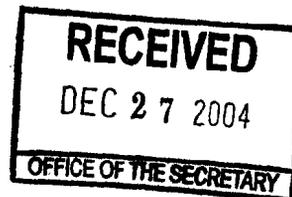


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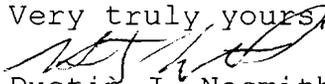
December 17, 2004



Jonathan G. Katz, Secretary,  
Securities and Exchange Commission  
450 Fifth Street, N.W.,  
Washington, D.C. 20549-0609

Dear Mr. Katz,

In accordance with the Securities and Exchange Commission's guidelines for public comment on the proposal SEC Regulation NMS, the attached memorandum submits my views on the subject matter.

Very truly yours,  
  
Dustin J. Nesmith

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Dustin J. Nesmith  
Depart. of Finance & Economics  
Southern Conn. State Univ.  
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Hamden, CT 06514  
12/15/2004

Comments on File Number S7-10-04: Proposed Regulation NMS

I'm writing today in response to the Commission's request for comments regarding the proposed Regulation NMS. Currently I'm a student in the finance field and have had the opportunity to study the securities markets this past semester. My views are from a supportive stand point in which I believe that the Commission has full justification for the proposed regulation. I believe that the proposed Regulation NMS should be applauded and considered a necessity to maintain an effective and efficient market place that promotes the continuation of fair competitiveness.

I think that the basic ideas behind the trade through rule are positive for all investors. Without this rule in place investors are creating arbitrage within the market that could potentially undermine the integrity of the National Market System. This arbitrage is happening because investors are able to take advantage of the different execution speeds between the electronic and manual markets. By doing so, they are continuously causing the cost of these simple transactions to soar, while having an unfair advantage over the investors who choose not to cheat the market.

The only remedy to this problem is the idea of price priority, which is implemented in the trade-through proposal. With all the new advancements in communication and technology, all the markets should be linked together to help insure that all investors have access to the best price possible. This is one of the most important aspects of trading because when you see a price and make a decision to invest, you want that price to remain unchanged. By creating consistency among trades along with immediate execution with the best price possible you are enabling the small investors to compete with the big investors on a more level playing field.

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I also feel that all this new competition and consistency will entice investors by establishing and regaining integrity back into the markets. As a result more people will be willing to invest, therefore increasing the prosperity of the National Market System. This supports the notion that regulation in these markets is extremely imperative when it comes to maintaining the market's efficiency and liquidity.

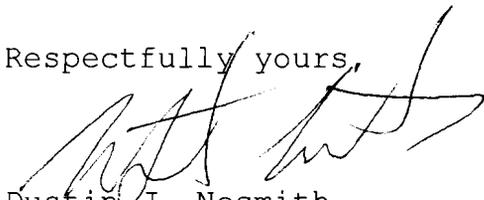
The new trade-through proposal isn't as restrictive as one might think, but has become a double-standard by giving the investor the opportunity to decide whether they want to "opt-out" of this new rule. I think this can be considered advantageous for the informed investor and institutional investor, who can truly appreciate the idea of a rapid execution regardless if their not getting the best possible price. This opt-out clause however is unnecessary, because it's actually reversing the affect of the trade-through rule. This part of the new NMS proposal should be omitted because you can't enforce as rule that an investor can opt out of. A rule like this one will end up costing the investor time and money.

To conclude, I believe that the proposed Regulation NMS will only further facilitate the development of a more transparent market that is both effective and efficient

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through the competition with in its markets. I also think that without consistency among trades along with immediate execution, investors will continue to loose confidence in our markets. That is why the trade-through rule is imperative in order to maintain market fairness and protect the integrity of the capital markets. Thank you again for affording me the time to express my views of the subject matter.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Dustin J. Nesmith", written over the typed name below.

Dustin J. Nesmith