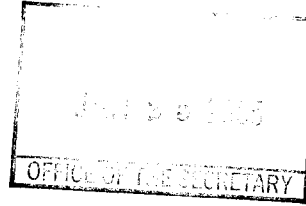


January 24, 2005



Mr. Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549-0609

Re: File No. S7-10-04 Regulation NMS

Dear Mr. Katz:

Thank you for the opportunity to comment on Regulation NMS. Our firm is very grateful to the Commission and Staff for the hard work you have done on behalf of the entire securities industry and all investors in this major overhaul of securities trading.

Abel/Noser Corp. was founded in 1975 and became a member of the New York Stock Exchange, Inc. in 1982. We are best known for the Trade Cost Analysis we furnish to over 300 pension funds and investment managers. In addition to measuring over 500 million shares per day of trading by our clients, we are a low cost agency only broker. We trade about 8 million shares per day. We trade both baskets and single stock working orders. Every trade is measured against both entry strike price (market impact) and volume weighted average price (vwap) during the time the trade is being executed.

I would like to comment on the proposed trade thru rule. Regulation NMS offers two alternatives (1) Best Bid Offer (BBO) (2) Depth of Book (DOB). We support the Best Bid Offer (BBO) option for the following reasons:

- (1) It is easier and more economic to implement.
- (2) It will allow the trading of blocks of stock.

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- (3) It will allow the development of the NYSE hybrid market.
- (4) It is an easier rule to comply with..

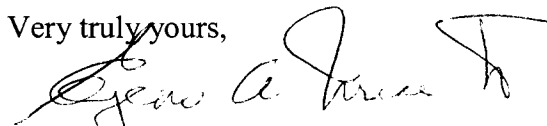
We are concerned that the Depth of Book (DOB) could cause unintended consequences:

- (1) It is complex and expensive to design, install and comply with.
- (2) It may cause a quantum leap in message traffic, mostly cancelled messages, which are expensive and unproductive.
- (3) It may cause many missed trades.
- (4) It will be impossible to trade blocks of stock.
- (5) It may cause institutions to separate their order flow from retail order flow and trade blocks away from the United States markets.
- (6) It will essentially end the NYSE. as we know it. There will be no hybrid market.
- (7) It may create "cyber warfare" where large proprietary trading firms and hedge funds use "rocket science" to scalp profits from both institutional and retail investors by analyzing the Depth of Book (DOB) data.

In summary, the Best Bid Offer (BBO) rule will serve all investors and traders well as it has for many years

Thank you for your attention.

Very truly yours,



Eugene A. Noser, Jr.
President

EAN:cn