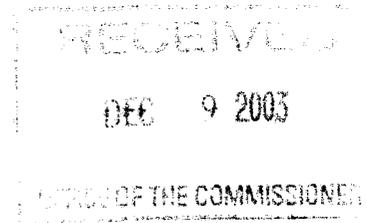


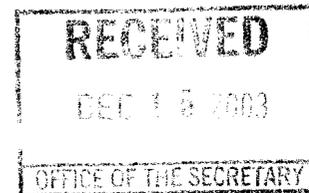
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December 3, 2003 – Third Request
November 12, 2003
October 22, 2003



Ms. Cynthia Glassman,
Commissioner
Securities & Exchange Commission
450 5th Street NW
Washington, DC 20549



Re: New Short-Sale Proposal

Dear Ms. Glassman:

When I read the enclosed Dow Jones News Service story about your new short-sale proposal, I just about went bonkers. How could you ever begin to suggest that “the elimination of the bid and tick tests” could/would lessen short-sale stock market manipulation.

Please note from the enclosures how the SEC has failed to properly regulate our industry.

1). Salomon Bros. Inc. (then one of the most knowledgeable equity traders in the world), who violated the short-sale rule back in 1987, which was one of the worst market crashes ever, and yet was not even fined.

2). Goldman Sachs Group Inc. (one of today’s most knowledgeable bond traders in the world), who violated insider trading “like there was no tomorrow” in U.S. Treasury securities, and yet was fined only \$9.3 million, even though by day’s end it was rumored that it could have cost those short some \$2 billion.

3). Richard Grasso, who (was supposed to set an example as Chairman of the New York Stock Exchange, which itself had governance responsibilities over those companies listed thereon), and yet “quietly” arranges for himself to be paid the outrageous \$150 – 200 million salary package and then “even more quietly” resigns.

In my opinion, it is because of people like you, Richard Grasso, Dennis Kozlowski, Jack Grubman, and “like” others that causes investors today to have increasingly less confidence in the stock market, in spite of all the rhetoric to the contrary.

Therefore, will you kindly advise me of the rationale for your new proposal and explain how you could possibly believe that it would/should reduce short-sale market manipulation, particularly when someone with inside information is selling aggressively.

Thank you for your reply.

Yours truly,

A handwritten signature in cursive script that reads "Michael Richardson".

Michael A. Richardson
1560 N. Sandburg Terrace
Chicago, IL 60610

cc: William H. Donaldson, Chairman
Harvey J. Goldschmid, Commissioner
Paul S. Atkins, Commissioner
Roel C. Campos, Commissioner

Symbol(s) 8471 & Date
Use Page Up, Page Down, ↑, ↓, or press ←

10/22 11:41A (DJ)+DJ SEC Votes To Seek Comment On Short-Sale Rule Reforms
Story 8471 =DJ SEC/Short Sale Rules -4: 300 Russell 1000 Stocks In Test

About 300 large stocks in the Russell 1000 Index would be picked for a two-year experiment that drops bid and tick-test restrictions on short sales, Nazareth said. Other rules to prevent manipulation and require short sellers to locate shares to borrow would not be waived under the test.

SEC economists said the test would match pairs of similar stocks, allowing one to trade with restrictions and the other without, to gauge the effect on trading volume, volatility, price and liquidity.

SEC commissioner Cynthia Glassman, an economist, said she continues to believe short-sale rules aren't needed for large-cap stocks, saying the bid and tick tests "need to go."

If the test shows no negative impact from lifting short-selling restrictions, it could become permanent and apply to more stocks than the 300 that will be randomly picked for testing, SEC officials said.

Lastly, the SEC proposal would add rules to target "naked" short-selling abuses that occur when the short seller doesn't have borrowed stock to sell.

To combat such practices, the SEC would require short sellers in all markets to be able to locate stock to borrow beforehand. The SEC rule would be added to existing NYSE and NASD rules, but would set a shorter deadline and create a 90-day trading ban for short sellers who fail to cover their position two days after settlement.

SEC officials expect proposed reforms will prove to be controversial with corporations and investors. SEC commissioner Paul Atkins noted the agency got more than 3,000 letters when it floated reforms in 1999, and predicted an even bigger reaction to the latest reform plan.

-By Judith Burns, Dow Jones Newswires; 202-862-6692;
Judith.Burns@dowjones.com

(EMD) Dow Jones Newswires

10-22-03 1344ET

Additional Codes (N/DJGP, N/DJGS, N/DJGV, N/DJN, N/DJPF, N/DJRT, N/DJS,
N/DJSS, N/DJWI, N/FND, N/RGU, N/SNEW, N/WSJC, P/HDL, R/NME, R/US)