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SECURITIES AND FINANCE COMMISSION
RECEIVED

MAR 22 2005

March 22,2005

Division of Market Regulation
450 Fifth Street, NW
Washington, DC 20549

DIVISION OF MARKET REGULATION

Ref: Proposed New Rule for Arbitration

ATT: Ms Kathleen Maguire

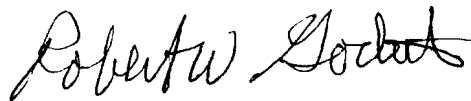
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JUL 20 2005
OFFICE OF THE SECRETARY

Dear Ms. Maguire,

This is in regard to a dispute I have with Smith Barney over World Com and have filed a hearing with the NASD dispute resolution arbitrators. It seems that a brokerage company will not accept your business unless you sign an arbitration clause in their contract.

In recent hearings with NASD the arbitrators have come up with inconsistent results. If they rule against you the investor has no recourse because the arbitrators do not have to give a reason for turning the investor down leaving no chance of appeal. The new proposed rule would require arbitrators to give explained awards when requested by the investor leaving the door open for appeal. I strongly encourage the SEC to approve the new rule. I also recommend that it would even be better to eliminate the arbitration clause in the brokers contract altogether and let a judge decide whether the case would be heard by the NASD or a jury.

Sincerely,



Robert W. Goduti