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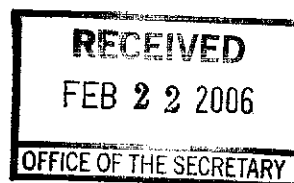
# WARD & COMPANY

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February 10, 2006

The Honorable Christopher Cox  
Chairman  
U. S. Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549



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CHAIRMAN'S  
CORRESPONDENCE UNIT

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Re: Release No. 34-52049; File No. SR-NASD-2005-87

Dear Chairman Cox:

Thank you for taking time to read this letter. I have been in the investment advisory business for over twenty-four years. Our firm manages stock & bond portfolios. We specialize in the handling of the Consolidated Network A tape and have been intimately involved in analyzing trade data for over two decades.

I am writing you on behalf of my concern about the proposed change to create a Trade Reporting Facility (TRF) that would be a subsidiary of the NASD. My concern centers on four primary issues should the TRF be approved as currently proposed by the NASD: 1) a reduction of transparency associated with the false domicile of trades which leads to a mistaken sense of an exchange's liquidity and depth of market; 2) competitive subsidy arrangements provided by revenue streams derived in contravention to a trade's origination; 3) print facility proliferation and 4) monetary trade credit for providing no service.

The first two of my concerns are a direct affront to the terms of an exchange's pricing mechanism, which has negative ramifications to all investors big and small. The last two are problems associated with an environment that stifles fair competition and creates a TRF free-for-all in the marketplace.

My suggestion is that the Commission take a position other than the proposed TRF and one that is in keeping with the best interests of all those that the NASD serves. This is most important in an era of heightened enforcement, re-regulation and exchange consolidation.

Very truly yours,

Bart J. Ward  
Chief Executive Officer

cc: Congressman Mark Kennedy, 6<sup>th</sup> District, Minnesota  
Senator Norm Coleman, State of Minnesota  
Commissioner Paul Atkins, SEC  
Commissioner Annette Nazareth, SEC

Commissioner Roel Campos, SEC  
Commissioner Cynthia Glassman, SEC  
Robert L.D. Colby, Acting Director of  
the Division of Market Regulation, SEC