



March 28, 2013

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Securities and Exchange Commission
Washington, DC 20549

Dear Ladies and Gentlemen:

**RE: File No. SR-NASDAQ-2013-032
Notice of Proposed Rule Change that Listed Companies Have an Internal Audit Function**

I am writing to voice opposition to the proposed rule change that would require NASDAQ listed companies to have an internal audit function. I am the Chief Financial Officer for CONMED Corporation, a medical technology company, and a large accelerated filer who has been listed on the NASDAQ stock exchange for over 25 years.

Here, at CONMED, we have a robust internal control monitoring and audit system conducted by members of our finance team who meet regularly with our Audit Committee. Our Sarbanes Oxley control testing is performed on approximately 350 internal controls that we consider to be significant. We have never found any significant weaknesses in the internal controls we test. Our Independent Registered Public Accounting firm has routinely opined that we maintain effective internal controls over financial reporting in all material respects.

Formally, the people involved with this monitoring system do not report directly to the Audit Committee. However, because of the regular meetings they have with the Committee, they are definitely empowered to report matters directly to the Committee should the need arise. I also note that we, as well as all other listed companies, have an anonymous hotline reporting availability should anyone desire to report irregularities in that manner.

A separate internal control audit function would add significant cost to our Company and would duplicate current company audit activities. We estimate that implementation of this new function would come at a cost of many hundreds of thousands of dollars. Some may view such an internal audit function would provide some amount of additional oversight of financial reporting activities. My view is that it would only add formality and cost without any additional substance.

All listed companies today meet the following requirements:

1. An Audit Committee consisting of independent members.
2. An annual audit by independent accountants who also opine on internal financial controls.
3. Management identifies and tests internal controls.
4. Management and the independent accountants meet regularly with the Audit Committee to inform them of the scope and results of internal control testing.
5. The CEO and CFO certify that internal controls are in effect.
6. The Company maintains the availability of an anonymous reporting hotline.

In addition, as a practical matter, all public companies are effectively required to have at least one audit committee financial expert on the audit committees, as no public company will want to explain why they fail to have such an expert.

More regulation, only to offer form over substance, is not helpful to individual listed companies, nor is it helpful to overall domestic economic development because of the additional regulatory cost burden. It may also unfairly provide a cost-advantage to foreign-listed companies, which will not have to incur the additional and unnecessary expense.

I respectfully request that the proposed rule for an internal audit function for NASDAQ listed companies be dropped.

Sincerely,

A handwritten signature in blue ink that reads "Robert D. Shallish, Jr." with a stylized flourish at the end.

Robert D. Shallish, Jr. CPA
Executive Vice President – Finance and CFO

cc: CONMED Corporation Audit Committee