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VIA EMAIL July 3, 2014

Ms. Elizabeth M. Murphy, Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: *Release No. 34-72311; File No. SR-NASDAQ-2014-058*

Dear Ms. Murphy:

The purpose of this correspondence is to respond to your request for comment regarding Nasdaq's Proposed Rule Change to amend IM-5900-7 to among other things modify the free services offered to certain newly listed companies.

We have thoroughly reviewed the proposed changes and offer the following recommendation to the Commission in advance to approving these modifications:

- **Grandfather companies who have been offered these services prior to the initial filing date of the proposal (June 4, 2014).** As you know, the solicitation of new listings is a competitive and ongoing process. Many, many companies have been offered the expanded services to include Directors Desk. However, a large number of these companies continue to enjoy the confidentiality protection offered under the JOBS act. By being forced to file an application by July 31, 2014 and list with Nasdaq by September 30, 2014 these companies will be disadvantaged. This has the impact of negating some of the potential benefits of the JOBS act under which these companies have been operating. Further, Nasdaq has been aware of their planned shift in this offering for quite some time and has continued to market this higher threshold of benefits even after filing for the amended rule. It seems only fair to us that any company that can demonstrate that it has been offered this higher portfolio of services should be grandfathered under the old rule. The company via the Nasdaq pitchbook that has been provided to them can easily meet this burden of proof.

We would like to provide some additional observations:

- While presented as changes that are driven by competitive forces and reflecting greater utility to issuers, the aggregate financial impact of these proposed changes is not small. For smaller companies the aggregate reduction is 25% per year in lower retail service values and, similarly, for larger companies the impact is an even greater % reduction in aggregate annual retail value. For companies between $500 and $750 million, the reduction is a whopping 59%. We encourage the Commission to remain vigilant in optimizing the competitive landscape for listings between the respective exchanges. Surely, retail value reductions of this magnitude are worthy of heightened awareness and scrutiny.
- We have not had the opportunity to monitor comments received by others seeking to opine on this proposal. Could you please endeavor to provide other comments received as a hotlink on your website so that we might have a more comprehensive view of the consensus thinking around these matters.

As always, we appreciate the opportunity to comment on this very important matter.

Kindest regards,

PJH

Patrick Healy is CEO of Issuer Advisory Group, Corporate America's leading issuer advocate and market expert. Mr. Healy served on the Board of Directors of Direct Edge (the country's fourth largest stock exchange, which trades but does not list stocks) from its inception up to and including its merger with Bats Global Markets. He holds a CPA and an M.B.A. and spent eight years on the faculty of the Georgetown University McDonough School of Business. He has also lectured at the College of William and Mary **MBA program**