



**PERFORMANCE  
TECHNOLOGIES**

October 20, 2004

57-NASD-2004-128

NASDAQ Office of General Counsel  
1801 K Street, N.W.  
Washington DC 20006

Ref: Proposed 2005 NASDAQ Annual Fee Schedule

Performance Technologies, Inc. (PTIX) is registering a protest to the proposed 2005 NASDAQ Annual Fee Schedule. PTI has approximately 13,260,000 total shares outstanding and based on a range of TSO between 10,000,001 and 25,000,000 the annual fee charged Performance Technologies will be \$30,500 compared to \$26,500 for 2004.

In addition, NASDAQ has been charging PTI on a quarterly review for Listing of Additional Shares on the average of \$2,000 per quarter making our total annual cost consistent with, or more than, companies in the higher range with TSO of 25,000,000 - 50,000,000, yet we still only have approximately 13,260,000 TSO. The additional shares are primarily reissuances resulting from stock option exercises using Treasury Shares which are obviously part of the original shares issued and repurchased on the open market by the Company. We are not issuing additional new shares!

In consideration of this activity, it is our opinion that an increase in the annual fee and charges for recirculating shares in the market is unfair and unacceptable.

Sincerely,

Dorrance W. Lamb  
Chief Financial Officer  
Performance Technologies, Inc.

Cc: Robert Greifeld - NASDAQ President and CEO  
Bruce Aust - NASDAQ Executive VP  
Donald Turrell, President and CEO, Performance Technologies

