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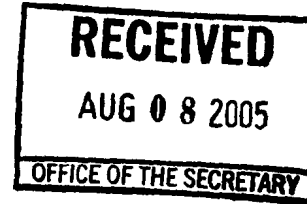
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August 5, 2005

VIA MESSENGER

Hon. Jonathan G. Katz
Secretary
U.S. Securities & Exchange Commission
450 Fifth Street, NW
Washington, D.C. 20549-0609



**Re: File Number SR-NASD-2005-032
Proposed Rule Changes to NASD Code of Arbitration
Relating to Written Explanations in Arbitration Awards**

Dear Mr. Katz:

On behalf of the law firm of Jackson & Campbell, P.C., we take this opportunity to comment on the above-referenced proposed amendments by the National Association of Securities Dealers, Inc. ("NASD") to the NASD's Code of Arbitration Procedure. We have reviewed the comments submitted by the Litigation and Arbitration Committee of the Securities Industry Association ("SIA"), and we are largely in agreement with the SIA's comments and concerns. We do not support the proposed amendments.

We believe that, in particular, arbitrators will lack the resources, experience, and knowledge as to how to craft properly a "written explanation" for an award. In contrast to judges who write decisions in cases, they will not have law clerks, staff, or other assistance to prepare detailed explanations that cite applicable precedent and set forth legally viable bases for actions taken. We believe that the entire arbitration structure is inconsistent with imposing upon the arbitrators some vague notion of providing explanations as to why actions are being taken.

We also do not see any cognizable basis for the procedure suggested in the amendments, whereby certain claimants could request a written explanation, as long as they do so at an early stage of the case, but respondents would not have the same ability. We do not understand why there would be a need for the time constraint, nor for permitting certain parties but not others to invoke the procedure.

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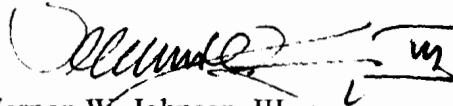
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Finally, we echo the SIA's concerns that qualified and experienced persons who have served as arbitrators might well be discouraged from doing so if they know that they will need to spend significant time and effort crafting written explanations without any meaningful compensation. We believe that the proposed rule changes are not appropriate and we also believe that they should not be adopted.

Thank you again for the opportunity to comment.

Very truly yours,

JACKSON & CAMPBELL, P.C.


Vernon W. Johnson, III)

VWJ:mk