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September 20, 2005

VIA ELECTRONIC MAIL

Jonathan G. Katz, Secretary
U.S. Securities and Exchange Commission
100 F. Street, N.E.
Washington DC, 20549-9303

Re: SR-NASD-2005-094

Dear Secretary Katz:

The proposed changes to the NASD Code of Arbitration do not properly or adequately address the need to create investor confidence in the integrity of the NASD arbitration process. Investors, and the public in general, will never have confidence in the process as long as industry arbitrators are used. The appearance of partiality created by an arbitrator's direct link to the same industry as a Respondent creates justifiable concern by Claimants that the process will not be fair.

The goals of fairness and neutrality are not served by the existence of the industry arbitrator. There is absolutely no need for an arbitrator to bring industry-related knowledge to an individual case. Experts are available to provide the necessary expertise to educate public arbitrators. Moreover, arbitrators can question these experts under oath to resolve any lack of understanding they may have on an issue. Public arbitrators are fully capable of resolving disputed issues just as judges and jurors do.

No other area of arbitration or litigation requires the use of an "industry" decision maker. No litigant would accept a doctor on a malpractice jury. To require such inclusion would destroy public confidence. Investors are entitled to the same perception of fairness and impartiality.

As an attorney who represents investors in securities claims and who was in the securities industry for over thirty years, I can assure you that investors are suspicious of the current arrangement. Our firm is the largest minority-owned law firm in the country. We deal with fairness issues and the perception of fairness on a constant basis. It is absurd to even suggest that a panel which includes an "industry" member would pass a fairness test.

This system should be changed and the public's interest should be made foremost.

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Thank you very much for the opportunity to comment on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale Ledbetter". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Dale Ledbetter

DL/pp