TIMOTHY PLAN

Investing with Biblical Principles

For submission to the Securities and Exchange Commission

March 25, 2021

Re: NASDAQ Notice of Filing of Proposed Rule Change to Adopt Listing Rules Related to Board Diversity.

As Founder and President of the Timothy Plan, a family of mutual funds and exchange-traded funds, I strongly oppose the proposed NASDAQ listing rule changes related to board diversity and disclosure (File No. SR-NASDAQ-2020-081) (the "NASDAQ Proposal").

In my opinion, the NASDAQ Proposal would be an egregious misuse of NASDAQ power to bully companies into adopting a particular social agenda instead of allowing investors and consumers to influence the direction of company boards. It is not only wrong but economically dangerous, violating boards' responsibility to govern in the best interests of the investors who own the company.

Timothy Plan, founded in 1994, is the pioneer of Biblically Responsible Investing. We offer investors 12 mutual funds and four ETFs, all of which have filtered portfolios that omit selective variables. We are an unabashedly Christian-run firm with a Christian board that takes our values very seriously. True diversity entails freedom for firms like ours to be guided by timeless moral principles that are not open to debate. We strongly oppose the false "diversity" mentality that the proposed NASDAQ rule change would require. Make no mistake, our opposition to the NASDAQ Proposal is not driven by our reluctance to comply. Our Board, as currently structured, already satisfies the NASDAQ Proposal. Our opposition is based on principle.

Simply put, the NASDAQ Proposal is a violation of our right to our own beliefs and how they are reflected in our market decision making. At the least, the listing requirement would hamper our ability to make sound marketing decisions. At worst, it would subject firms like ours to non-stop harassment, including legal threats.

On Feb. 12, 2021, a dozen U.S. Senators on the Banking Committee sent a letter objecting to the listing rules change on many grounds. Here's their summary, with which I wholeheartedly concur:

"It is not the role of NASDAQ, as a self-regulatory organization, to act as an arbitrator of social policy or force a prescriptive one-size-fits-all solution upon markets and investors. NASDAQ's narrow concept of mandated diversity, one that prioritizes race, gender, and sexual orientation, and pressured board diversity, misses the mark. It interferes with a board's duty to follow its legal obligations to govern in the best interest of the corporation and its shareholders. It violates central

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principles of materiality that govern securities disclosures, and finally, it harms economic growth by imposing costs on public corporations and discouraging private corporations from going public."

"In so doing, NASDAQ fails to meet its burden to demonstrate that this proposed rule advances investor protection, fosters the public interest, or is otherwise consistent with the Securities Exchange Act of 1934."

Our board has the fiduciary responsibility to manage Timothy Plan in the best interests of shareholders, who invest in our funds and ETFs precisely because our portfolios are free from elements that violate their most deeply held beliefs.

Forcing any company to have board members that disagree with the basic mission of the organization would be tyrannical.

The senators' letter also noted this:

"In 2013, SEC Chair Mary Jo White, who was appointed to that position by President Obama, criticized attempts to use the SEC disclosure requirements for 'exerting societal pressure on companies to change behavior, rather than to disclose financial information that primarily informs investment decisions.' Chair White's statement related to disclosures concerning mine safety and conflict minerals, but it could easily apply here. The materiality doctrine prevents the development of an unstable, politicized securities regime that would be ripe for abuse of power. Without it, political factions could use securities regulations to advance the latest social policy fad, sidestepping democratic deliberation. Securities regulation would become a political football, as all sides of a social policy issue would fight to enshrine their perspective into regulation. This would balloon the volume of securities disclosures, reducing clarity and increasing costs for companies, regulators, and investors."

I strongly urge the SEC to reject this unwise and harmful proposal to turn NASDAQ into a radical enforcer for a particular set of beliefs.

Sincerely,

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President and CEO, Timothy Plan