April 8, 2010

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

RE: Proposed FINRA Rule Change, as Modified by Amendment No. 3, Relating to the Prohibition of Certain Abuses in the Allocation and Distribution of Shares in Initial Public Offerings "IPOs"– Release No. 34-61690; File No. SR-NASD-2003-140

Dear Ms. Murphy,

As a member of the investment, venture capital and syndicate community for over four decades, I welcome this opportunity to comment on the aforementioned proposed rule changes since these should significantly benefit the IPO capital raising process. Although I fundamentally agree with most of the promulgated rule changes, I feel that some of the proposed rule may not be consistent with the philosophy of the Securities Act of 1933 and the Securities and Exchange Act of 1934 i.e. the protection of the public investor. The rule should not only prohibit abusive allocation practices but also allow broad public investor participation in the IPO distribution process thereby ensuring member compliance with SEC Regulation M.

Therefore I strongly concur with the FINRA's proposed new Rule 5131(b)'s spinning provision as one way of strengthening the IPO capital raising process. I strongly believe that members should be prohibited from offering investment banking services to a company for a period of 12 months following any allocation of "hot" IPO shares to an account of an executive officer or director of such company.

Another change to Rule 5131(e)(2) would enhance IPO public distribution. The time frame referred to in the definition of "Flipped" should be changed to include any IPO shares purchased on the offering that are sold before the penalty bid has been lifted by the book manger of the offering. In other words the "flipped" time period should be at the discretion of the managing underwriter. If not at the discretion of the book manager, many investors may sell or "flip" on the 31st day, thereby threatening the orderly IPO distribution process.

In addition Rule 5131 (c)(1) assessment of a "penalty bid on the entire syndicate" should be more clearly defined. The Rule should go further and force a penalty bid flipping assessment on all clients of all members that are part of the underwriting and/or selling group that bought IPO shares on the offering, including the managers.

Further more Rule 5131(c)(3) "random allocation methodology" leaves too much room for interpretation and possible subsequent abuse to the possible detriment of the public investor. For example this modus operandi does not recognize "subject" Indications of Interest (IOIs).

Lastly in order to enable broad public distribution of IPOs and prohibit abusive practices the term "institution " should clearly include "hedge funds". In addition all the definitions in Rule 5131 should be consistent with Rule 5130.

In conclusion Rule 5131 should be adopted to ensure the broad "public" fair and equitable distribution of Initial Public Offerings. By ensuring a level playing field for all investors IPOs will no longer be the sole purview of those powerful institutions and hedge funds that command substantial commission dollars and fees that can be used as influence to enhance the performance of their funds, at the expense of the public investor, by gaining unfair access to those IPOs in great demand.

I am willing to discuss the proposed rule changes at further length at your request.

Sincerely,

Ross M. Langill
Chairman & CEO
Regal Bay Investment Group LLC
250 East Wisconsin Avenue
Suite 1500
Milwaukee, WI 53202

Telephone # 1-414-225-3555 extn 127
Fax # 1-414-225-3177

Email: RMLangill@aol.com