

From: Jon Faulkner
Sent: Friday, February 07, 2014 8:16 AM
To: OFM Performance and Planning
Subject: SEC Draft Plan

I was disappointed in the draft plan in that it does not promote growth in the public markets but continues down the path of the last 15 years of shifting smaller company financing to the private equity markets. We recently became a larger reporting company with a float above \$75 million. We were shocked when our auditor told us the time spent on the 404 opinion, with the new PCAOB requirements, could be equal to or greater than the regular audit. We think the float for larger reporting companies should be raised to \$1 billion. In addition, the new PCAOB requirements are just CYA documentation for the most part. We understand questioning management but not letting management have person to person reviews when proofing financial reports but instead having to write a report of corrections every time we review and make corrections on a report in the review process before publishing is adding a lot of non-value added time and does not improve the quality. Direct person to person interaction is very effective way to communicate. The degree of documentation for 404, as compared to four years ago when we last had to do a 404 opinion, has ballooned dramatically. This is far more onerous than when Sarbanes first came out. This added PCAOB documentation requirement will surely drive even more companies from the public markets.

Sincerely,

Jon Faulkner

CFO

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