

# InfoSONICS

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## SENT VIA INTERNET COMMENT FORM

March 20, 2013

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: Comment on File Number SR-Nasdaq-2013-032

Ladies and Gentlemen:

I am the Vice President, Chief Financial Officer and Secretary of a smaller reporting Nasdaq listed company called InfoSonics Corporation (Nasdaq: "IFON"). We were formerly a much larger company with over \$200 million in annual revenues, however, most all of those distribution revenues evaporated over the last few years as a result of a protective import tariff in Argentina, the country where those revenues were generated. So, we have been trying to "reinvent" ourselves as a manufacturer with our own brand. It has been a struggle and we have sustained operating losses during the process. And, as a result, our stock price has suffered and we are currently in a compliance period with Nasdaq for failure to maintain the minimum bid price requirement.

We estimate the cost of maintaining our public company status is approximately \$500,000 annually. As you can imagine, every dollar is precious to us as we strive to return to profitability. So, it was with dismay that we received the recent Nasdaq proposal that would require ALL listed companies to have an internal audit function (the "Proposal"). This would further exacerbate the cost of being public for small companies such as ours, and we are adamantly opposed to the Proposal. We take very seriously our obligations under the Exchange Act to maintain effective systems of both Disclosure Controls and Procedures and Internal Controls over Financial Reporting. Our CEO and I would not otherwise sign the 302 Certifications, which I believe are adequate incentives to enforce compliance. Having been the CFO previously at a larger company, it is my experience that accelerated filers typically have internal audit functions without this requirement because they have larger, more distributed and complex operations and their independent auditors are required to opine on their internal control systems. Consequently, it is my opinion that the Nasdaq Proposal is unnecessary. If, however, the Commission believes that the Proposal is necessary in some form, I would strongly encourage that it be required only of Large Accelerated Filers and Accelerated Filers.

Thank you for the opportunity to express my opinion.

Respectfully,



Vernon A. LoForti  
Vice President & CFO