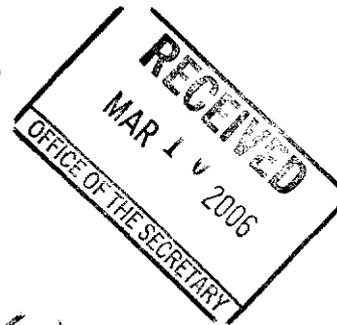


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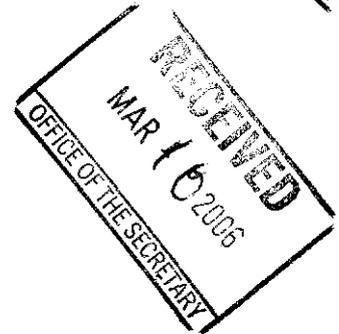
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March 9, 2006

Via Federal Express

Ms. Nancy M. Morris
Federal Advisory Committee Management Officer
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090



Subject: File Number 265-23

Dear Ms. Morris:

On July 3, 2003, we submitted a petition (the "Petition") to the Securities and Exchange Commission (the "Commission") on behalf of eight institutional investors to change the definition of "holder of record" contained in Rule 12g5-1 under the Securities Exchange Act of 1934 (the "Exchange Act") to include all beneficial owners. See Public Petition for Rulemaking 4-483. Since that time, other institutional investors have expressed support for this petition, including Wynnefield Capital, Inc., which together with its related investment partnerships, is a significant investor in the securities of smaller public companies.

We are therefore extremely pleased that the Commission's Advisory Committee on Smaller Public Companies has proposed in the Exposure Draft of its Final Report to amend Rule 12g5-1 along the lines proposed in the Petition. Proposal IV.S.1. We are aware that the Committee had many things to consider, most especially the impact of the Sarbanes-Oxley legislation on issuers, and appreciate the fact that the Committee also took the time to consider the ways current rules disadvantage investors in smaller public companies.

Unfortunately, in its advice as to the best use of the Commission's resources, the Committee assigned this proposal a secondary priority. For the reasons described in the Petition, we believe this is an urgent matter requiring the Commission's immediate attention.

In the two and one-half year period since the Petition was submitted to the Commission, hundreds of issuers have elected to deregister under the Exchange Act. We believe the vast majority of these issuers would have been required to remain registered under Section

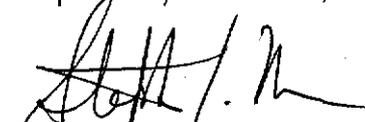
12(g) of the Exchange Act, if the number of actual shareholders and their true economic interests were counted as Congress intended. These investors have been deprived of the protections of the Exchange Act and, in many cases, are at the mercy of a management team that is indifferent to the interests of its shareholders. In other cases, investors have launched expensive and arduous litigation proceedings under State law to obtain books and records regarding their investment and met with vigorous, well-financed opposition from issuers. In either case, this is an intolerable situation that requires immediate Commission action.

Current rules discourage investment in smaller public companies. Without investors, none of the Committee's other proposals make much difference.

We therefore urge the Committee to assign proposal IV.S.1 a high priority and ask the Commission to take immediate action to protect investors in smaller public companies.

Thank you very much, and please call if you have any questions.

Respectfully submitted,



Stephen J. Nelson