

As the CFO of a small community bank, I want to express my support of the final recommendations of the SEC Advisory Committee on Smaller Public Companies (the "Committee").

The banking industry is already heavily burdened with regulation from the SEC, FDIC, Federal Reserve and Sarbanes-Oxley, especially Section 404. At small banks such as ours we do not have the personnel to complete the onerous requirements of section 404 and are forced to hire outside expertise. This cost is an unnecessary burden to our shareholders as the banking industry is already examined regularly by the FDIC, the Federal Reserve, and in our case, the State of Oregon. The cost for our first year to comply with SOX 404 will be well over \$200,000. As a community banker and a shareholder I see no benefit for the expenditure of these resources by a company that is already so heavily regulated and examined.

As the Committee found in its final report, the expense of Section 404 have disproportionately impacted both micro and small-cap companies. I believe that as a result of the requirements of Section 404 smaller banks are struggling to compete under the burden of regulation and some will simply look to sell out to their larger competitors. This will have a negative impact on employment, competition and make it difficult for smaller businesses to access capital. Micro and small-cap companies are struggling with not only the high cost of Section 404 but staff is so burdened with trying to ensure compliance that they are not focusing their efforts on business development. At our company we have been so focused on Section 404 that we have expended time, energy and resources to compliance where in my opinion those efforts would have been better spent in market and customer development which in turn would provide our shareholders a better return on their investment.

Thank you for your serious consideration of the Committee's recommendations and for allowing me to comment.

Sincerely,

Lark Wysham
EVP/CFO
Citizens Bancorp