

To: SEC Advisory Committee on Smaller Public Companies

After reviewing the exposure draft Final Report from the Advisory Committee on Smaller Public Companies, I am impressed by how well the issues have been identified, presented and solved with the proposed recommendations. The Committee truly understands the problems facing small public companies caused by Sarbanes-Oxley Act (SOX) Section 404. I agree with their recommendations and strongly urge the SEC to adopt the recommendations effective immediately.

As a CPA, one of the first lessons you learn in evaluating and testing internal controls is the cost versus benefit relationship, and the fact that they must be in balance. As a CFO of a microcap company, I am closely involved with the financial controls of our company and I am positive that the high costs necessary for a SOX audit and related expenses will not provide more protection for my shareholders beyond the controls that already exist and are in place in our company. In our case, there is no real benefit to the substantially high SOX costs.

If the Advisory Committee's recommendations are not put in force, the cost impact and effects on small companies will be staggering. Speaking as the CFO of a microcap company, I can tell you that the costs associated with SOX audit and related costs would negatively impact earnings per share on a double-digit percentage basis annually. The intent of the act was to protect shareholders investments; the results will be a decrease in the value of the shareholder's investment through reduced earnings. What alternatives do small companies have to offset these SOX related costs except cost reduction efforts? Many small public companies will be forced to reduce their work force through lay offs for cost reduction efforts, because of high SOX related costs that were intended to protect the investing public. Most employees own stock either directly or indirectly through mutual funds, so these very employees are at risk of losing their jobs because SOX dictates that they need protection as investors. Something is very wrong with this predicament.

Please do the right thing for American employees and investors by adopting the Committee's recommendations. Don't delay on this report, as dollars are being spent needlessly everyday to prepare for SOX audits under the current guidelines and regulations.

/s/ Paul Caceres
Chief Financial Officer
CAM Commerce Solutions, Inc.