

December 10, 2004

Mr. Jonathan G. Katz  
Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609



Route 3, Box 1058  
Troup, TX 75789  
903.842.3123 X 212

**Re: File Number S7-37-04**

Dear Mr. Katz:

As a company that has received financing from a business development company ("BDC"), we are writing to encourage the Commission to further expand upon the definition of "eligible portfolio company" in order to ensure that all small, developing companies, regardless of whether or not they are listed on an exchange or quoted on NASDAQ, are eligible for BDC investment. While the proposed changes to the rules governing eligible portfolio company investments are a step in the right direction, they do not go far enough to address the access to capital needs of small companies.

We received BDC financing at a critical time in the development of our company when other sources of public funding were not available to us. As a result of the success of such financing, we recognize that BDCs provide a much needed source of financing for small, developing companies, both public and private. However, if the Commission adopts the proposed rule as drafted, many small companies would be deemed an ineligible portfolio company and forced to rely on unregulated private funding sources such as venture capital firms, hedge funds and private investments in public equity (PIPEs). In particular, we are concerned that, should the Commission decide to further contract the universe of companies in which BDCs may invest, BDCs would have a difficult time raising capital in the public markets which, in turn, would limit the amount of financing BDCs are able to provide to small, developing companies otherwise eligible for BDC investment.

We urge the Commission to further expand the definition of eligible portfolio company and consider alternatives to whether a company is listed on an exchange or quoted on NASDAQ, such as market capitalization, as proposed in H.R. 3170, to ensure that all small, developing companies are eligible for BDC investment.

Thank you for your consideration of our comments and recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas H. Dickerson". The signature is fluid and cursive.

Thomas H. Dickerson  
President/CEO

