February 20, 2007

Nancy M. Morris, Secretary, Securities and Exchange Commission
100 F Street, NE,
Washington, DC 20549-1090
Subject: File Number S7-24-06

Dear Ms. Morris:

I am submitting my comments in response the proposed interpretive guidance for management regarding its evaluation of internal control over financial reporting pursuant to the requirements of Section 404 of the Sarbanes-Oxley Act of 2002.

Section 404 of Sarbanes-Oxley was created to prevent or limit fraud-mainly executive fraud-in the public financial markets. However, the guidelines are more focused on transactional fraud. Section 404 also shares very similar accounting control standards with two other statutes that deal with fraud, so reinforcing the documentation needed for the other statutes is not necessarily going to guarantee the prevention of fraud.

The section states that management's responsibility is in creating and maintaining satisfactory procedures for financial reporting. I agree that these procedures need to be upheld by a satisfactory internal control structure. The SEC needs to give more detailed guidance to make sure that the procedures exist and are controlled.

These suggested guidelines should be in accord with the size of the businesses. Businesses should not be considered large or small based solely on gross receipts. Number of employees should be a factor also. It is conceived that small businesses may have a disproportionate cost burden in implementing effective internal control measures.

In order to comply with Section 404, a business needs to have a complete external audit of internal control. It is acknowledged that this requirement causes extra costs to be incurred. I tend to support the opinion that the cost could outweigh the benefit.

Section 404 attempts to eliminate the risks of internal control failure; it is not possible to eliminate all risks.

Changes will need to be implemented to the procedures created by management as a business expands, which in turn will create additional risks. The more risks a business has, the more tests and documentation the business may have to produce.

Lastly, I would like to touch on Section 302 of Sarbanes-Oxley. This section says that the principal executive and financial officers must certify the financial and other information in the quarterly and annual reports. I agree very much with this section. It allows for the public to feel more secure in their business investments since they know the financial condition of the business they invest in. However, I feel that electronic signatures lack authenticity and fail to impart trust. The certifications should be signed in person with a witness.

Respectfully submitted,

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