



722 Burleson Street  
Corpus Christi, Texas 78402

[www.torminerals.com](http://www.torminerals.com)

Phone: [REDACTED]  
Fax [REDACTED]

April 17, 2013

*Via E-mail to rule-comments@sec.gov*

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: File No. SR-NASDAW-2013-032  
Release No. 34-69030  
Notice of Filing of Proposed Rule Change to Require  
Listed Companies to have an Internal Audit Function

Ladies and Gentlemen:

On March 4, 2013, the SEC published a request for comment regarding the NASDAQ Stock Market LLC's ("NASDAQ") proposed adoption of Rule 5465 that would require all listed companies to establish and maintain an internal audit function (the "Proposed Rule").

As the CFO of a smaller reporting company, I am surprised that the Proposed Rule does not include a market capitalization limit for companies similar to the SOX 404(b) exemption. The purpose of the SOX 404(b) exemption was to ease the financial burden of complying with the Sarbanes Oxley Act for smaller public companies. However, the Proposed Rule effectively eliminates the benefit to smaller reporting companies and instead places an unnecessary financial burden.

As a public company, we currently incur costs of approximately \$700,000 annually to comply with public company rules and requirements, including audit and legal fees, SEC reporting and filing fees, NASDAQ fees, etc. These costs represent over 25% of our annual general and administrative costs. With annual sales of approximately \$50 million, we cannot afford another layer of regulatory costs as would be imposed by the Proposed Rule.

For the above reasons, I oppose the Proposed Rule as written and believe it should be amended to include an exemption, similar to SOX 404(b), for smaller reporting companies.

Regards,

A handwritten signature in black ink that reads "Barbara Russell". The signature is written in a cursive, flowing style.

Barbara Russell  
Chief Financial Officer