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Submitted online at SEC web site: [www.sec.gov/news/press.shtml](http://www.sec.gov/news/press.shtml)

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

Re: File No. 4-497, Sarbanes-Oxley Act of 2002, Section 404 Implementation

Dear Secretary Katz:

We are a bank holding company (NASDAQ: OVBC), having one primary bank subsidiary (OVB), approximately \$730M in assets, market capitalization of \$114M, 22 locations, and employing about 270 people. In regard to SOX-404, we find ourselves living in the shadows that lie between regulatory compliance and prudent management practices. Our Mission Statement declares that we shall “*exceed the expectations of our customers, increase the standard of living of our employees, and increase the value of our shareholders’ investment.*” Our management team faces the similar task as so many other small publics, of meeting their responsibilities to these three groups of people, as well as maintaining our status as good corporate citizens in a changed regulatory environment.

From the perspective of a SOX-404 Project Leader turned Internal Control Manager, our organizational challenge seems fairly clear, in the larger sense. The big question is this: “How do we comply with SOX-404 in a way that not only avoids dishonoring our Mission Statement, but actually adds value in its pursuit?”

I believe that one of the major goals this SEC Roundtable should seek to achieve is to recognize the need for your registrants to get more from this process than simple compliance. Ultimately, a “compliance only” approach, in my opinion, will not hold up under anyone’s “mission statement test”. I want to believe that many of your registrants’ mission statements address the interests of their shareholders. If so, then I would suggest the idea that a philosophical conflict exists between a primary goal of the Act, to improve investor value, and the costs of its compliance having the opposite effect.

It appears that a solid majority of knowledgeable professionals agree that some form of legislation was needed in the wake of Enron, ETAL, and I think we all accept that, in some form, Sarbanes-Oxley is here to stay. It also seems, however, that the Act is incomplete, as it fails to address the broad diversity of industries, products, shareholders, Boards and environments that comprise the population of public companies.

I think the key to living within this new regulatory environment, while avoiding the “philosophical conflict” mentioned earlier, is to find a way to move beyond compliance and into the realm of Continuous Quality Improvement. It seems clear that this is the only way to add value rather than deplete it. To do this, it will be critical for regulators to recognize that compliance evaluation, both self-assessment and external, should be flexible, specific by industry, and scaled to company size. The attempt to standardize too rigidly the requirements for control self-assessment and subsequent internal control audits without consideration of company size or industry may preclude many, especially smaller, companies from achieving value in their compliance efforts.

Another concern is the potential for the PCAOB to exercise overzealous diligence in their oversight of the audit profession. If external auditors are held to standards that are viewed by their clients to be excessive for their specific circumstances and control environments, auditor/client relationships are certain to be strained. If differences arise, the open flow of information from client to auditor may diminish, and with it, the effectiveness of the very process the PCAOB is tasked with protecting. It seems to me that revisions to the Act can be justified by recognizing the need for increased flexibility and appropriate leeway for auditors’ judgment in assessment of internal control effectiveness and evaluation of deficiencies based on the specific control environment.

In the end, the goal of the Sarbanes-Oxley Act was to improve comfort and value to investors. I would submit, respectfully, that on the way to meeting compliance requirements under the Act, the effect on our investors’ interests has been more negative than positive. Please take appropriate action to ensure that the spirit of the Act is not lost, and allow registrants and auditors to function with reasonable freedom.

Respectfully submitted,

William T. Johnson  
Internal Controls Manager

cc: Jeffrey E. Smith, President and CEO  
Katrinka V. Hart, Executive Vice President, Risk Management Officer  
U.S. Representative Michael G. Oxley