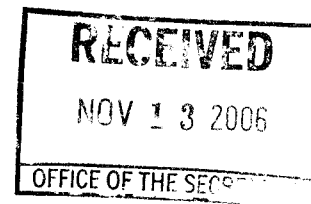




FERGHANA PARTNERS INC.



Ms. Nancy Morris
 Secretary
 Securities and Exchange Commission
 100 F Street NE
 Washington DC 20549-9303

November 8, 2006

Dear Commissioners

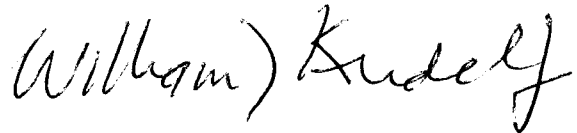
I am writing to make a comment concerning one aspect of the proposed new Rule 2a: the limitation on Market Capitalization for investee companies in the context of a Business Development Company (BDC). I am the Founder and Managing Director of a specialist Investment Bank that is active in the Life Sciences field (pharmaceuticals, biotechnology, medical devices, Enabling Technology, etc.), Ferghana Partners. We have been in business almost fifteen years and have dealt with many clients seeking to raise finance in this volatile sector.

As you know, the IPO window periodically closes for Life Science companies seeking to issue their initial tranche of securities. At the same time, those restrictive market conditions also affect existing Life Science issuers who are seeking further influx of public capital to support their research, clinical development, manufacturing, marketing and IP protection/defense. Many young and innovative Life Science companies receive their funding from Venture Capitalists or family-and-friends angels, but turn soon to the public markets...rarely with a pre-IPO valuation greater than \$200M and trading market values for existing companies also less than \$200M. These smaller Life Science companies are indeed most grateful to the investors for putting up the money which ensures their survival and prosperity...often in the range of \$30-86.3M, resulting in post-IPO valuations ranging from \$120-200M or current trading valuations from \$60-225M. The process of capital formation will be greatly aided by the by BDCs to invest in these smaller Life Science companies, both public and private.

I believe that it is in the interests of this important business community (healthcare/Life Sciences) that the new Rule 2a allow BDCs to invest in such enterprises so long as the recipient is private or has a market capitalization at the time of investment less than \$250M. Above that limit companies find it substantially easier to obtain equity research coverage because there is sufficient

float in the stock that it makes it worthwhile to be done in the anticipation of institutional investor interest.

Hence, I urge that the Commission adopt \$250M as the qualifying limitation on the market size of investee companies for BDCs.

A handwritten signature in cursive script that reads "William J. Kridel Jr." The signature is written in black ink and is positioned above the typed name.

William J Kridel Jr
Managing Director