

September 12, 2011

The Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006

Re: Release No. 2011-004: Proposed Standards for Attestation Engagements Related to Broker and Dealer Compliance or Exemption Reports Required by the U.S. Securities and Exchange Commission and Related Amendments to PCAOB Standards, PCAOB Rulemaking Docket (Matter No. 035)

Ladies and Gentlemen:

This letter represents our response to your request for response on proposed attestation standards and related amendments, dated July 12, 2011.

The proposed standards represent a credible response to isolated, but existing business practices. We agree in principle that the proposed standards represent a practical and effective improvement in applicable auditing standards.

We agree that the existence of material non-compliance, reliance on information outside the books and records to assert compliance, or material weakness in internal control over compliance should result in an adverse opinion on management's assertions. However, the proposal requires direct reporting on the subject matter of management's assertions if those circumstances exist. We believe reporting instead on management's assertions would both clearly communicate existing adverse conditions and emphasize management's responsibility for compliance and the related assertions.

The proposed standard does not clearly describe the procedures necessary to achieve moderate assurance with respect to exemption reports of brokers and dealers. The accounting profession has developed a working knowledge of limited assurance with respect to reviews of private companies' financial statements. The concept of moderate assurance appropriately sets a higher level of assurance for exemption report engagements. However, the standard does not clearly describe the extent of evidence necessary to achieve that level of assurance.

We believe the proposed standards are:

- Tailored appropriately for examinations and reviews related to compliance and exemption reports of brokers and dealers.
- Scalable based on the size and complexity of the broker and dealer.
- With the exceptions described above, sufficiently descriptive of the auditor's responsibilities.
- Generally adequate to enhance protection of customer assets.

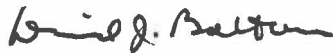
Our specific responses to the questions raised in Appendix 4, Additional Discussion of the Proposed Attestation Standards and Questions for Public are included in the attached schedule.

Please contact me if you have questions with respect to our response.

We appreciate this opportunity to respond to the proposed standard.

Sincerely,

ParenteBeard LLC

A handwritten signature in black ink, appearing to read "David J. Bolton". The signature is fluid and cursive, with the first name "David" and last name "Bolton" clearly distinguishable.

David J. Bolton, CPA
Partner, National Quality Office

DJB/mo

Enclosure

PCAOB Rulemaking Docket (Matter No. 035)
Responses to Questions Raised in Appendix 4

1. As noted above, the extent of evidence necessary to achieve moderate assurance needs to be clarified. Otherwise the proposed standards are sufficiently clear.
2. No.
3. The practicality of coordination of the examination engagement and the audit of financial statements is adequately described.
4. Yes
5. Yes. A reference to guidance on use of other auditors in the auditing standards would probably be adequate.
6. Yes.
7. Yes.
8. Yes.
9. No.
10. Yes.
11. Yes.
12. No.
13. Yes, absolutely.
14. No.
15. Yes.
16. Separate references in the scope paragraph of the examination report to the PCAOB Standards and the examination process are duplicative. These references should be combined.
17. None.
18. Yes. Reporting examples probably should be included in the standard for adverse reports, with agreement and with non-agreement with management's assertions, and disclaimer of opinion would provide practical guidance.
19. Yes.
20. Yes.
21. No.

22. No.

23. Yes.

24. No.

25. No.

26. As noted above, the standard should include a more precise description of the additional procedures necessary to achieve moderate assurance.

27. Yes.

28. Yes, absolutely.

29. No.

30. Yes

31. None. Report format and content are adequate.

32. No.

33. None.

34. No.

35. Yes.