

From: gus reasoner <reasonergus123@gmail.com>
Sent: Wednesday, April 10, 2024 11:48 AM
To: Comments
Subject: [EXT]: PCAOB Rulemaking Docket 055: Firm Reporting

Hello,

I am writing to express my concerns regarding the PCAOB Rulemaking Docket 055: Firm Reporting. In particular, I find resonance with the sentiments articulated by Christina Ho, Board Member, in her statement titled "Statement on the Firm Reporting Proposal – Are We Regulating the Audit Firms or Driving Out Competition?". Her insights accurately reflect my apprehensions and reservations concerning this proposed rule.

Board Member Ho's statement underscores what appears to be an attempted overreach and misuse of regulatory authority by the PCAOB in seeking private information from privately held businesses. This move, in my view, lacks justification in terms of enhancing investor protection or furnishing actionable intelligence for the PCAOB. Moreover, the economic analysis referenced in Ho's remarks contradicts the purported objectives of the rule.

I fail to comprehend how mandating a specific subset of private businesses to disclose sensitive financial information, even under the guise of confidentiality, does not constitute a breach of privacy by a regulatory entity. Furthermore, the proposal appears to be lacking in substantiated rationale regarding how increased financial disclosure and additional reporting requirements would enhance transparency for stakeholders or bolster the PCAOB's investor protection capabilities.

I am troubled by the board's apparent dismissal of the economic report's findings and its persistent assertion, unsupported by evidence, that acquiring financial statements from select private businesses would safeguard public investors and public markets. Additionally, I am puzzled by the board's presumption of responsibility in monitoring the "financial stability" of private entities and their resilience against various financial challenges, especially in the absence of transparent criteria for evaluating firms' financial distress levels.

As highlighted in Board Member Ho's remarks, such oversight falls within the purview of the Financial Stability Oversight Council (FSOC), not the PCAOB.

I urge the board to reconsider its position on this issue and further review the relevance of such information on the operations of the Board.

Gus Reasoner, CPA