



November 14, 2011

Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006-2803

Subject: PCAOB Rulemaking Docket Matter No. 37, Mandatory Audit Firm Rotation

Dear Chairman Doty:

Citizens Bank appreciates the opportunity to provide comments on the PCAOB concept release #37, which considers mandatory audit firm rotation as a way to enhance auditor independence, objectivity, and professional skepticism. We are opposed to the approach taken in concept release #37 and thank you for the opportunity to voice our concerns.

As background, Citizens Bank is a diversified financial services company providing a wide range of commercial, consumer, and mortgage banking services to a broad client base. Our business has become more complex over the years and having an objective and professional audit is critical to our company and stakeholders. If we truly believed that mandatory audit firm rotation would increase the quality of the audit and strengthen independence, objectivity, and professional skepticism, we would be open to the approach taken in the concept release. However, for the reasons stated in this letter, we believe audit quality and the level of skepticism would actually be reduced and independence/objectivity would only have a false illusion of being strengthened if this proposal were adopted. In practice, we have found the cumulative knowledge that an audit firm builds over time to be critical in ensuring a high quality audit, and contributes to deeper audit procedures, more probing questions, and higher levels of skepticism on the part of the audit team. Further, we have found that mandatory rotation of audit partners, along with the turnover that naturally occurs within an audit team to be more than sufficient to assure full independence and objectivity.

We don't believe mandatory audit firm rotation is the answer and will result in a number of unintended consequences in the form of decreased audit quality (especially in the early rotational years when the whole audit team is new); no real change on independence and objectivity; added inefficiencies to the audit process; and increased audit costs to the company. If this proposal is adopted, these unintended consequences will unfortunately result in less reliable audits, which will cause increased audit risk to the Bank and its key stakeholders. Having less seasoned audit teams that turn over once a learning curve is achieved will only increase confusion--not enhance independence, objectivity and professional skepticism.

We believe that our independent audit committee of our Board of Directors is in the best position to evaluate whether the external auditor is independent, objective, and exercises an appropriate level of professional skepticism. In our view, the audit committee is in the best position to appoint and retain the audit firm they believe best meets shareholders' needs. We thank the PCAOB for the opportunity to comment on the concept release and hope you take our concerns into consideration. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in cursive script that reads "Louise O'Connell".

Louise O'Connell
Citizens Bank, EVP & General Auditor
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