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**From:** John.RIEGER@oecd.org  
**Sent:** Tuesday, April 29, 2003 10:46 AM  
**To:** Comments  
**Subject:** Regarding Ruling to require Foreign Auditors to Register

This e-mail is approve of your decision to require foreign auditors to register, albeit with some time lag to adjust to the issue.

Rational:

While I hear a lot of disagreement here in Europe regarding the necessity to register under the new pcaob system, it is actually necessary that foreign auditors are subject to the United States rules and regulations. As an auditor oversight entity you have a duty to protect the investor public. As long as companies desire the financial benefits of being registered in the United States under US registration laws, the services that create that financial benefit must be protected. The reason the US market enjoys the greatest financial stability is due to the stability of the markets, if you compromise the rules and regulations that create that stability, you compromise the benefits.

Your duty is to protect the financial stability of the capital markets in the United States. If you allow exceptions to the attributes that create that stability you will dilute the financial strength of that market. Now, saying that it does not mean that you could not leverage the oversight tasks using some kind of European or Joint oversight vehicle that would extend to foreign auditors. However, you would have to make sure that you do not compromise the quality while doing that.

Regards,

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