

Sinclair Capital LLC
924 West End Avenue – T4
New York, N.Y. 10025

August 27, 2015

Ms. Phoebe W. Brown
Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, D.C. 20006-2803

Re: Supplemental Request for Comment: Rules to Require Disclosure of Certain Audit Participants
on a New PCAOB Form (PCAOB Rulemaking Docket Matter No. 29)

Dear Madame Secretary:

I appreciate the opportunity to comment on the PCAOB's supplemental request regarding rulemaking docket matter number 29. I comment as an investor who has directly invested or overseen investments of more than \$100 billion in institutional investments over the course of my career. A precis of my investment credentials was included in my previous comment letter on this same docket matter on March 14, 2014. As a brief update, since that time, I have been appointed a member of the Standing Advisory Group of the PCAOB. However, as I am sure you know, these comments are my personal opinions, and do not necessarily represent the opinion of the SAG or any of its members or of the PCAOB or any of its Commissioners or Staff.

As noted on my previous comment letter, I support the disclosure of the name of the engagement partner in the audit report and detailed the reasons for my support my submission of March 14, 2014. I continue to think it the preferred proposal. However, I understand the reasons the PCAOB is now considering disclosure of the name of the engagement partner on a separate Form AP, and I agree that it is a viable compromise that would achieve many of the desired salutary results of the original proposal.

The Supplemental Request specifically asked "Would disclosure on Form AP as described in this release achieve the same potential benefits of transparency and an increased sense of accountability as mandatory disclosure in the auditor's report? How do they compare? Would providing the disclosures on Form AP change how investors or other users would use the information?"

Assuming various conditions as to timing and functionality, which I detail below, I believe the marketplace will soon adapt to the existence of a Form AP. In addition to the Form AP disclosures being directly searchable on the PCAOB website by investors and others, I believe one or multiple information providers will develop a user-friendly interface that incorporates some level of analytics to Form AP searches, much as several information providers have done with the information resident on the SEC's EDGAR system.

As noted, however, that market adaptation to deliver the desired benefits of disclosure via a Form AP is dependent upon a number of conditions, some of which are the subject of inquiry in the Supplemental Request. The Supplemental Request asks if filing Form AP within 30 days of the filing of the auditor's report (10 days for an IPO) would be appropriate, though there is no rationale given for the 30 day lag, or for the 10 day lag from an IPO. Given that the name of the engagement partner is known to all internal participants in the audit process far in advance of the filing of the auditor report, ideally it should be made available contemporaneously with the auditor report. However, I acknowledge that there may be coordination issues that prevent such contemporaneous filing. Therefore, the question, should be what is the minimum time delay necessary to resolve such potential coordination issues? That, of course, is a matter of judgment, but I would suggest five business days. In any event, if a Form AP can be filed in 10 days for an IPO, which generally is a more intensive process with more moving pieces and more outside entities needing coordination than is an audit of an ongoing filer, then I see no reason Form AP cannot be filed in the same or less time for an audit of an ongoing filer.

The second issue the Supplemental Request mention is: What are the appropriate search criteria and functionality for Form AP? This is a key question, as robust functionality will facilitate information providers disseminating the basic information in the first instance, and adding appropriate analysis thereafter. Therefore, Form AP ought to be standardized so as to be machine readable and searchable, downloadable, and easy to navigate. As a proxy for ease of navigation, I would support the standard put forth by the Council of Institutional Investors in its July 30, 2015 comment letter, suggesting that it take no more than three steps for a user to navigate from the PCAOB's home page to the search results for Form AP.

Again, I thank you very much for the opportunity to comment.

Sincerely,

Jon Lukomnik
Managing Partner