
ORDER MAKING FINDINGS AND
DISAPPROVING REGISTRATION
APPLICATION

*In re Registration Application of
Vail & Knauth LLP*

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) PCAOB Release No. 102-2013-001
) February 21, 2013
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I.

On November 28, 2012, the Public Company Accounting Oversight Board ("PCAOB" or "Board"), pursuant to PCAOB Rule 2106(b)(2)(ii), issued a Notice of Hearing on the Registration Application of Vail & Knauth LLP ("Applicant"). The Notice of Hearing afforded Applicant an opportunity for a hearing under PCAOB Rule 5500 to determine whether to approve or disapprove Applicant's application for registration with the Board. The Board received from Applicant a timely request for a hearing on the registration application.

II.

Pursuant to PCAOB Rule 5205, Applicant has submitted an Offer of Settlement that the Board has determined to accept. Solely for the purpose of this proceeding and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein except the finding described in III.A below, Applicant consents to the entry of this Order Making Findings and Disapproving Registration Application as set forth below.

III.

On the basis of information obtained by the Board in connection with

RELEASE

consideration of Applicant's registration application, the Board finds^{1/} that:

- A. Applicant is a public accounting firm located in Dallas, Texas.
- B. Applicant was previously registered with the Board from July 9, 2010 to November 22, 2011.
- C. Applicant, while previously registered with the Board, failed to file its Form 2 Annual Report for the period ending March 31, 2010 by June 30, 2010, failed to file its Form 2 Annual Report for the period ending March 31, 2011, failed to pay the annual fee to the Board that was due on or before July 31, 2011, and failed to file a Form 3 to report the change in business address of the person designated as the firm's primary contact to the Board. Accordingly, Applicant's conduct violated: Section 102(d) of the Sarbanes-Oxley Act of 2002 and PCAOB Rule 2200, which require that registered firms file an Annual Report; PCAOB Rule 2201, which requires that registered firms file Form 2 Annual Reports by June 30 of the reporting year; PCAOB Rule 2202, which requires that registered firms pay an annual fee; and PCAOB Rule 2203, which requires that registered firms report a change in the business address of the firm's primary contact to the Board.
- D. Applicant's violations described above resulted from Applicant's failure to exercise the degree of care that the Board would expect of a public accounting firm under the circumstances.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, it is hereby ORDERED:

^{1/} The findings herein are made pursuant to Applicant's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

RELEASE

That Applicant's application for registration with the Board is disapproved, provided, however, that with respect to any new application for registration submitted by Applicant after November 28, 2013, the Board will not issue a Notice of Hearing to determine whether to approve or disapprove such application based solely on the violations that are the subject of the findings contained in this Order.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

February 21, 2013