

WULFF, HANSEN & Co.
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The Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC, 20006-2803 USA

Dear Members of the Board:

We are writing to comment on your Docket Matter 034 concerning a proposed change in auditing standards. Wulff, Hansen & Co. is a small privately owned broker/dealer. As such, we are registered with the Securities and Exchange Commission, FINRA, and the Municipal Securities Rulemaking Board.

After more than 80 years as a carrying and clearing firm, we recently terminated our carrying and clearing operations and are now an introducing broker/dealer carrying no customer accounts, clearing no transactions, and having no customer funds or securities in our possession. We do not see any public benefit in requiring small firms such as ours to retain a PCAOB-registered auditor or to otherwise be subject to requirements designed for broker/dealers whose financial statements are available to, and used by, the public whose assets are held in their custody.

There are several thousand small closely held broker/dealers, many of which have no more than ten employees and many of which have but a single employee/owner. When we were carrying customer accounts the public had a right and a need to view our financial statement, and we gladly made it available to them on a continuing basis. A non-carrying and non-clearing firm, however, has no such obligation. The public has no access to its financial statements and has no need for such access since no publicly owned assets are held in custody by the firm.

Since the PCAOB's mission is to protect the public, we see no reason to require that such broker/dealers be audited by a PCAOB-registered firm. This requirement entails additional costs for the firm and for its auditors and since the resulting statements are not available to the public there is no demonstrable public benefit in requiring them to be produced by a registered firm. The public is not at risk with regard to the financial condition of such firms: Customer assets are held elsewhere and, should the firm disappear overnight, no customer assets would be endangered or unavailable.

The only persons who could conceivably receive the 'protection' ostensibly offered by a PCAOB-registered auditor are the owners of the firm themselves. Since the owners can always choose to select such an auditor that option would remain open to them if they so desired. If they did not wish to incur the additional costs involved, the result would affect no one but themselves.

Thank you for your consideration.

Very truly yours,

Chris Charles
President