

January 20, 2006

Mr. Jonathan G. Katz
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9303

Re: File No. PCAOB-2005-01, Public Company Accounting Oversight Board; Notice of Filing of Proposed Rule on Auditing Standard No. 4, *Reporting on Whether a Previously Reported Material Weakness Continues to Exist* (SEC Release No. 34-52990, December 21, 2005)

Dear Mr. Secretary:

PricewaterhouseCoopers LLP appreciates the opportunity to comment on the Securities and Exchange Commission's (the "Commission") notice of filing of proposed rule on Public Company Accounting Oversight Board Auditing Standard No. 4, *Reporting on Whether a Previously Reported Material Weakness Continues to Exist* (the "standard" or "AS 4").

We support the Commission's approval of the standard. We believe that it provides a useful tool that management can elect to use where appropriate in providing the public with assurance as of an interim date that a previously-reported material weakness no longer exists.

With regard to the two specific questions on which the Commission requested comments, we respectfully submit our views below:

1. Are there unnecessary impediments to management's use of AS 4? Will it be used? What are the ways AS 4 should be changed, if any, to encourage appropriate use by management?

We believe there are no significant impediments to the use of AS 4. However, we do not anticipate that companies that previously reported material weaknesses will frequently elect for their auditors to report under AS 4. Instead, we believe that most companies will conclude that the current Section 302 requirement for management to periodically report material changes in internal control over financial reporting is sufficient. We do not believe any changes to AS 4 are necessary to encourage use by management.

2. Under AS 4, management is permitted to select the date for its assertion that a material weakness no longer exists. Is it clear that such date may fall outside of the quarterly review period?

We believe the standard is clear that management's assertion may be made as of any date specified by management, provided management is able to obtain sufficient evidence to support its assertion and the auditor is able to obtain sufficient evidence to support its audit report. The standard recognizes that, as a practical matter, certain material weaknesses (e.g., a material weakness in the company's period-end financial reporting process) typically can be tested only in connection with a period-end.

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Please do not hesitate to contact Vin Colman (973-236-5390) regarding our submission.

Sincerely,

PricewaterhouseCoopers LLP