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*In re Registration Application* )  
*of Apple Accounting A Financial* )  
*Services LLC* )  
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NOTICE OF HEARING

PCAOB No. 102-2010-007

Background

1. The Public Company Accounting Oversight Board ("the Board") has received an application for registration with the Board from Apple Accounting A Financial Services LLC ("Apple").

2. Section 102(c)(1) of the Sarbanes-Oxley Act of 2002 ("the Act") provides that the Board shall

approve a completed application for registration not later than 45 days after the date of receipt of the application, in accordance with the rules of the Board, unless the Board, prior to such date, issues a written notice of disapproval to, or requests more information from, the prospective registrant.

Pursuant to the Act, the Board has adopted rules ("PCAOB Rules") related to the registration process, and the Securities and Exchange Commission ("the Commission") has approved those rules.

3. Under PCAOB Rule 2102, the date of receipt of Apple's application was November 30, 2009.

4. The Board's rules provide that the Board will, with respect to an application,

determine whether approval of the application for registration is consistent with the Board's responsibilities under the Act to protect the interests of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports for companies the securities of which are sold to, and held by and for, public investors.

PCAOB Rule 2106(a).

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5. If, after reviewing the application, the Board is unable to make the determination described in paragraph 4 above within 45 days of receipt of the application, the Board may request additional information from the applicant or the Board may provide the applicant with a written notice of a hearing to determine whether to approve or disapprove the application. PCAOB Rule 2106(b)(2).

6. The Board requested additional information from Apple on January 6, 2010. The Board received the requested additional information from Apple on March 17, 2010.

7. When an applicant submits additional information in response to a Board request, the Board will treat the application as if it were a new application for purposes of PCAOB Rule 2106(b). PCAOB Rule 2106(c). Accordingly, not later than 45 days after receipt of the requested information the Board will approve the application, request more information from the applicant, or provide the applicant with a notice of hearing. PCAOB Rule 2106(b).

#### Notice of Hearing Procedure

8. Pursuant to PCAOB Rule 2106(b)(2)(ii), the Board has determined to provide Apple an opportunity for a hearing under PCAOB Rule 5500 to determine whether to approve or disapprove Apple's application for registration. Under the Act and those Board rules, Apple has the following two options with respect to this notice –

a. Apple may elect to have a hearing before a Board hearing officer pursuant to the Board's rules; or

b. Apple may decline to have a hearing and may instead elect to treat this notice as a written notice of disapproval of Apple application for purposes of Section 102(c) of the Act.

9. If Apple elects a hearing –

a. Apple will be deemed to have waived any right to have a Board determination on its application within the time period provided in Section 102(c)(1) of the Act;

b. the Board shall appoint a hearing officer to hear evidence concerning the proposed grounds for disapproval described in paragraph 15 below, to hear other relevant evidence offered by Apple or the Board staff, and to prepare an initial decision. PCAOB Rules 5200(b), 5204(b); and

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- c. the Board's Secretary shall serve the parties with a Notice of Assignment of Hearing Officer, the date of which shall constitute the date of the institution and commencement of the proceeding.
10. To elect a hearing, Apple must, on or before May 11, 2010, file with the Board's Secretary a written request for a hearing date and a notice of appearance. PCAOB Rules 5500, 5401(c). Apple must include with the request –
    - a. a statement that Apple has elected not to treat this notice as a written notice of disapproval for purposes of Section 102(c) of the Act; and
    - b. a statement describing with specificity why Apple believes that the Board should not issue a written notice of disapproval.
  11. If Apple elects to forego a hearing and instead chooses to treat this notice as a notice of disapproval for purposes of Section 102(c) of the Act, Apple should notify the Board's Secretary of its election by May 11, 2010.
  12. If Apple fails to take the steps described in paragraph 10 above and fails to take the step described in paragraph 11 above, Apple will be deemed to have elected to treat this notice as a notice of disapproval for purposes of Section 102(c) of the Act.
  13. If this notice is treated as a notice of disapproval, whether by Apple's election or by Apple's failure to make an election by May 11, 2010 –
    - a. the date of this notice shall constitute the date of the Board's disapproval, and the proposed grounds described in paragraph 15 below shall constitute the final grounds of the Board's disapproval;
    - b. as provided by Section 102(c)(2) of the Act, this notice of disapproval shall be treated as a disciplinary sanction for purposes of sections 105(d) and 107(c) of the Act;
    - c. as provided by Section 105(d) of the Act, the Board shall report this sanction to –
      - (1) the Commission;
      - (2) any appropriate state regulatory authority or any foreign accountancy licensing board with which Apple is licensed or certified; and

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(3) the public (once any stay on the imposition of such sanction has been lifted); and

d. as provided by Section 107(c) of the Act, Apple may, in accordance with the Commission's rules governing time limitations and procedural matters, petition the Commission to review the disapproval determination.

#### Basis of Disapproval

14. The Board has considered the following information, which includes information obtained by the Board in connection with Apple's application as well as the requirements of the Act and the Board's rules –

a. On or about December 29, 2009, Apple certified the financial statements, including the balance sheet and income statement, of Gremo Investments, Inc. ("Gremo"), a registered broker-dealer, for the fiscal year ended September 30, 2009, which Gremo subsequently filed with the Commission.

b. Section 17(e) of the Securities Exchange Act of 1934, required that the balance sheet and income statement filed with the Commission by Gremo for the fiscal year ended September 30, 2009 be certified by a registered public accounting firm.

c. On the date that Apple certified the Gremo balance sheet and income statement for the fiscal year ended September 30, 2009, Apple was not a registered public accounting firm.

d. Although Apple's conduct with respect to Gremo's financial statements did not involve, and the Board is unaware of conduct by Apple involving, the audit of any "issuer" (as defined in the Act and the Board's Rules), approval of Apple's registration application would make it lawful for Apple to provide audit reports for issuers.

15. As provided in PCAOB Rules 2106(b)(2)(ii) and 5201(c), and on the basis of the information described in paragraph 14, the Board identifies the following proposed grounds for disapproving Apple's registration application –

a. Apple certified the balance sheet and income statement of a registered broker-dealer, for filing with the Commission, for a period with respect to which

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Apple knew or should have known that those financial statements were required by law to be certified by a registered public accounting firm.

b. Apple's certification of these financial statements while not registered with the Board appears to demonstrate an unwillingness or inability to exercise sufficient care with respect to relevant legal requirements.

16. On the basis of the grounds described in paragraph 15, the Board is unable to determine that approval of the application would be consistent with the Board's responsibilities under the Sarbanes-Oxley Act of 2002 to protect the interests of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports for companies the securities of which are sold to, and held by and for, public investors.

ISSUED BY THE BOARD



J. Gordon Seymour  
Secretary

April 27, 2010