

Proposed revision to the peer review interpretations 21-1

If the reviewed firm used quality control material that any member of the review team helped to develop or maintain the independence of the reviewing firm is impaired.

Comment: I do not think that by helping a firm develop its quality control document, the reviewing firm should be permanently banned from performing the reviewed firm's peer review for lack of independence. A typical scenario would be the reviewing firm would obtain a third party sample quality control document (such as those provided by PPC) and would tailor it for the firm. It would be more reasonable to modify this rule similar to when a peer reviewer performs a firm's preissuance review or internal inspection whereby not allowing the peer reviewer perform the review if this occurred in the year immediately preceding the review or in the year of the peer review.