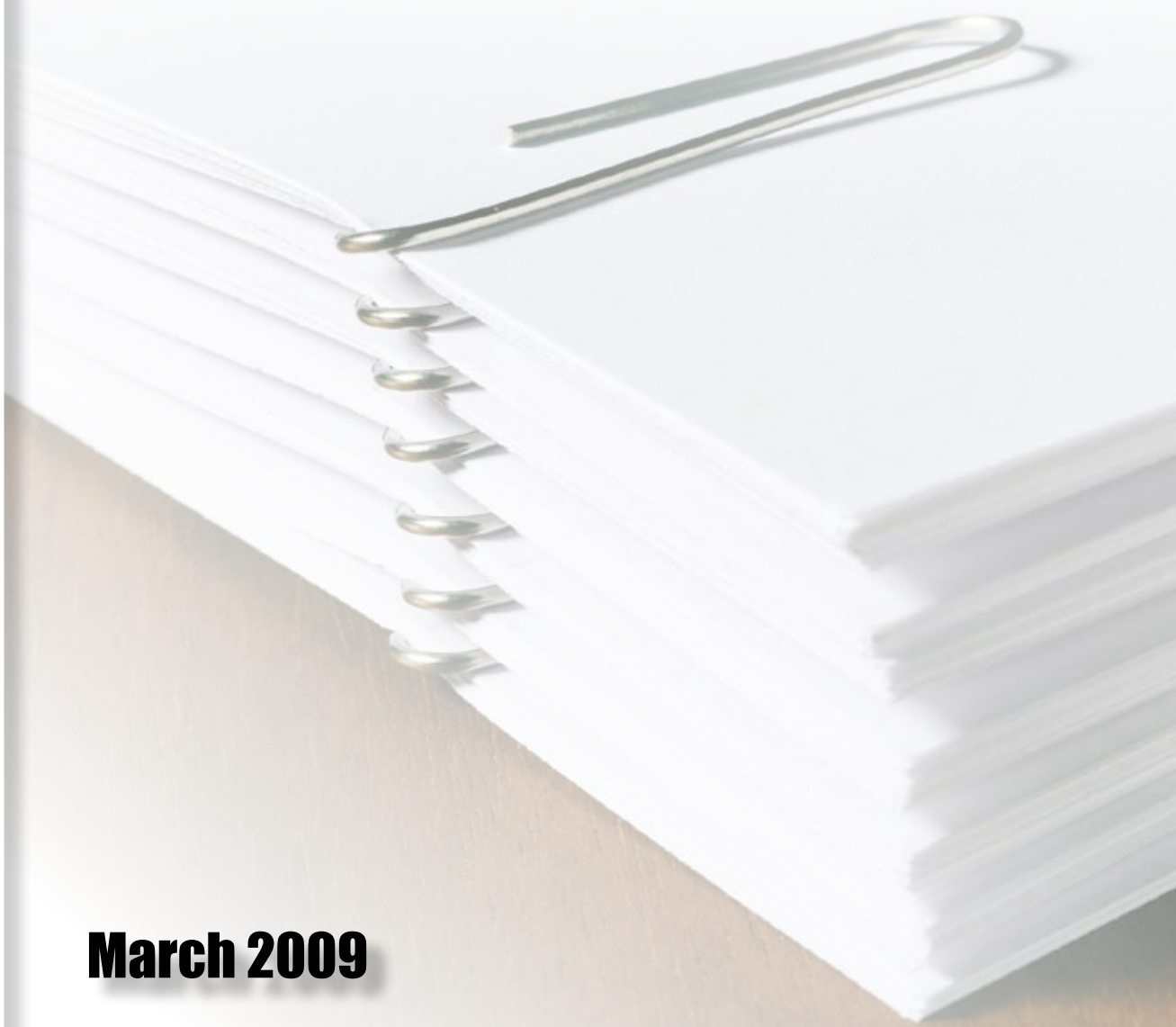


Non-Audit Fees A Six Year Trend



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Six Year Review Non-Audit Fee Trends (Experienced by Accelerated Filers)

Database Overview:

The Audit Analytics auditor fee database contains all fee data disclosed by SEC registrants in electronic filings since January 1, 2001. The data has been extracted primarily from the following form types: DEF 14A, DEF 14C, DEFM 14A, PRE 14A, 10-K, 10KSB, 20-F, 40-F and N-CSRs. In cases where two disclosures filed by the same registrant within the same year provide inconsistent fee information (i.e., the PRE 14A discloses different numbers than the DEF 14A), the DEF 14A is given precedence over other forms. The definitions of the audit fee categories contained in the database are provided at the end of the report. For further information regarding the auditor fee categories, see SEC Final Rule 33-8183, with an effective date of May 6, 2003 (corrected March 31, 2003), and its predecessor rule, SEC Final Rule 33-7919.

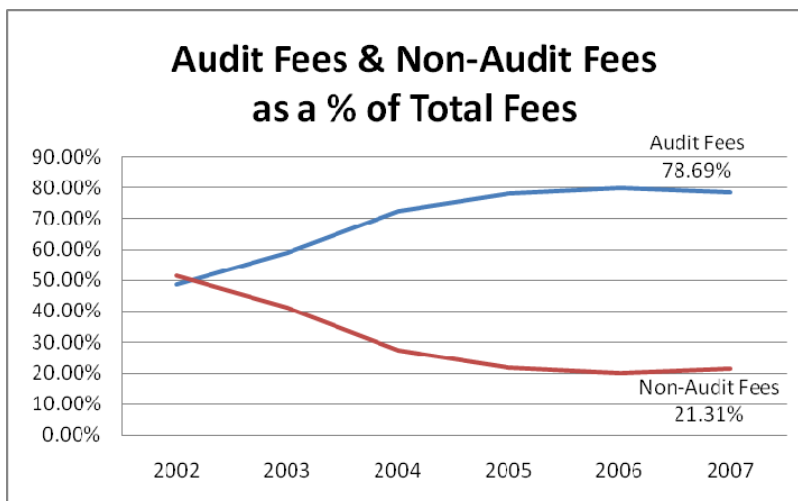
Population:

The non-audit fee analysis herein concentrates on those fees paid and disclosed by accelerated filers. The initial population comprised of all accelerated filers as identified on March 16, 2009. Audit Analytics reviewed this initial population of 5,489 registrants to determine which of those disclosed auditor fees for each and every year from 2002 to 2007, inclusive.¹ This historical data requirement distilled the population to a total of 3,390 accelerate filers.

Executive Summary – Non-Audit Fee Trends from 2002 to 2007

1. In 2002, non-audit fees were 51% of the total fees paid by accelerated filers, but after three years of steady decline non-audit fees appear to have leveled off at about 21% of total fees.

During calendar year 2002, non-audit fees represented 51.4% of the total fees paid to independent auditors by the 3,390 accelerated filers that comprise the research population of this analysis.² Non-audit fees continued to decline as a percentage of total fees through the year 2006 reaching a low of 20.02% (See table on Page 3: Audit and Non-Audit Fees). This decline seems to have leveled off in 2007 with audit fees equal to about 21% of total fees (See graph at right).

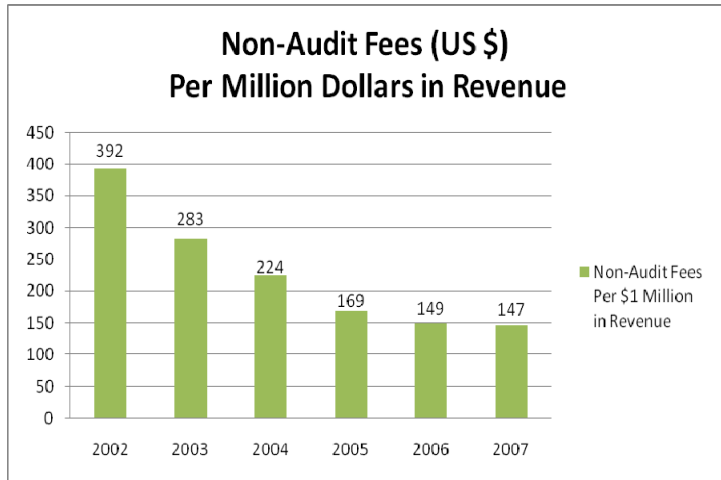


¹ As of the date of this research, the SEC forms containing calendar year 2008 fees were not yet filed by most accelerated filers under review. Therefore, calendar year 2008 is not presented in this analysis.

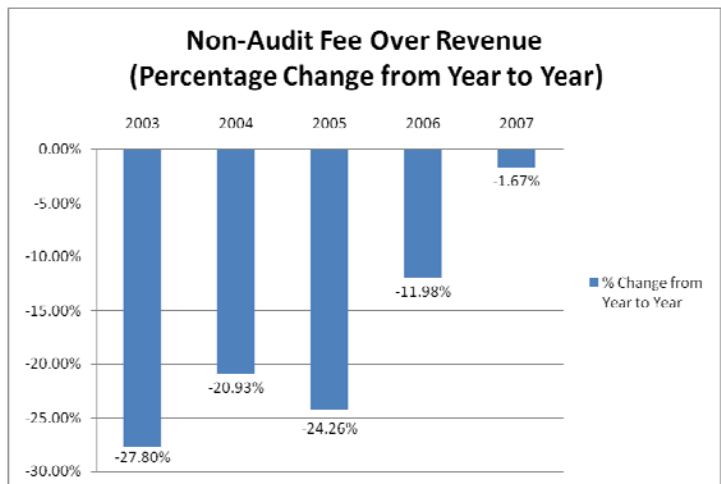
² As explained in the Population section, the percentages above are based on fees paid by 3,390 accelerated filers, all accelerated filers as identified on March 16, 2009 that disclosed audit fees for each and every year displayed above.

2. For each year since 2002, accelerated filers have experienced a drop in the cost of non-audit fees as a percentage of their revenue.

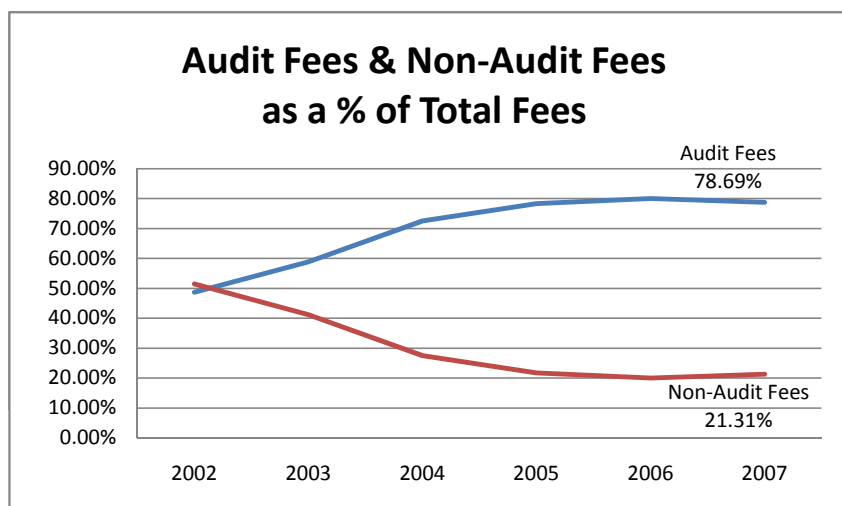
In order to adjust for inflation and corporate growth from year to year, Audit Analytics calculated the total non-audit fees paid by the population of accelerated filers and divided the fee amount by the total revenue of the same registrants. The results of this analysis are shown in the graph on the right by displaying the average amount of non-audit fees paid per \$1 million in revenue. In 2002, the average amount of non-audit fees paid per \$1 million of revenue equaled \$392. Since 2002, this figure declined every year to the 2007 calendar year amount of \$147 for every million dollars in revenue



A review of the percentage decline of these numbers from year to year show that the dramatic cuts of over 20% experienced in calendar year 2003, 2004, and 2005 could not be maintained for very long. Calendar year 2006 showed a substantial drop of 11.98%, but the drop in 2007 was 1.67%. (See graph at right). Therefore, for the last couple of years, the 3,390 accelerated filers studied in this analysis paid an average of about \$150 dollars in non-audit fees for every \$1 million in revenue. (See graph at upper right).



Total Audit Fees & Non-Audit Fees Paid by Accelerated Filers Over Six Years (3,390 Accelerated Filers)



Non-Audit Fees Over Revenue

	Total Fees	Audit Fees (\$)		Non-Audit Fees (\$)	
		\$	% of Total	\$	% of Total
2002	8,048,160,805	3,911,601,428	48.60%	4,136,559,377	51.40%
2003	8,017,168,253	4,715,408,541	58.82%	3,301,759,712	41.18%
2004	10,669,730,217	7,732,196,796	72.47%	2,937,533,421	27.53%
2005	11,207,561,801	8,767,502,093	78.23%	2,440,059,708	21.77%
2006	11,946,040,425	9,554,473,328	79.98%	2,391,567,097	20.02%
2007	12,379,605,575	9,741,495,645	78.69%	2,638,109,930	21.31%

Notes:

¹ The research above is based on fees disclosed in SEC filings as of March 16, 2009. Only a small percentage of calendar year 2008 fees have been disclosed by registrants as of the research date and thus 2008 is not presented.

² The fees above are based on fees paid by a population of 3,390 accelerated filers, all accelerated filers as identified on March 16, 2009 that disclosed audit fees for each and every year displayed.

³ The total non-audit fees represent the aggregate of all other disclosed fees that are not audit fees. For a breakdown of the fees that constitute the total non-audit fees, see definitions on page 5.

