
2019 Inspection Crowe LLP

(Headquartered in Chicago, Illinois)

December 17, 2020

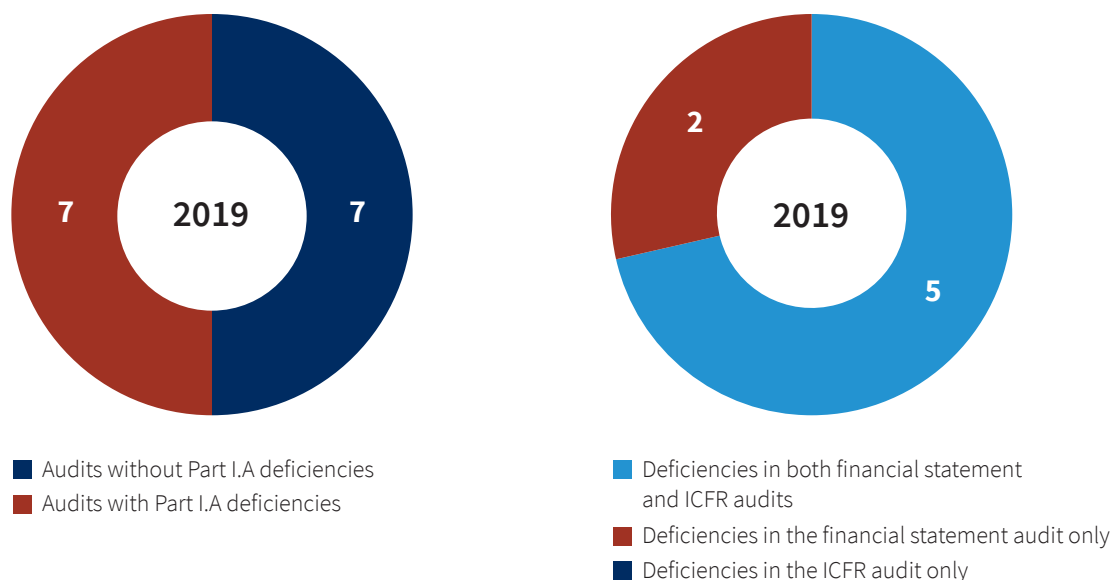
Executive Summary

Our 2019 inspection report on Crowe LLP provides information on our inspection to assess the firm’s compliance with Public Company Accounting Oversight Board (“PCAOB”) standards and rules and other applicable regulatory and professional requirements. This executive summary offers a high-level overview of: (1) Part I.A of the report, which discusses deficiencies (“Part I.A deficiencies”) in certain issuer audits that were of such significance that we believe the firm, at the time it issued its audit report(s), had not obtained sufficient appropriate audit evidence to support its opinion on the issuer’s financial statements and/or internal control over financial reporting (“ICFR”), and (2) Part I.B of the report, which discusses deficiencies that do not relate directly to the sufficiency or appropriateness of evidence the firm obtained to support its opinion(s) but nevertheless relate to instances of non-compliance with PCAOB standards or rules.

The fact that we have included a deficiency in this report — other than those deficiencies for audits with incorrect opinions on the financial statements and/or ICFR — does not necessarily mean that the issuer’s financial statements are materially misstated or that undisclosed material weaknesses in ICFR exist. If a deficiency is included in Part I.A or Part I.B of this report, it does not necessarily mean that the firm has not addressed the deficiency.

Overview of the 2019 Deficiencies Included in Part I

Seven of the 14 issuer audits we reviewed in 2019 are included in Part I.A of this report due to the significance of the deficiencies identified. The identified deficiencies primarily related to the firm’s testing of controls over and/or substantive testing of business combinations, the allowance for loan losses, and investment securities.



The most common Part I.A deficiencies in 2019 related to evaluating significant assumptions or data that the issuer used in developing an estimate, testing the design or operating effectiveness of controls selected for testing and in some cases the resulting overreliance on controls when performing substantive testing.

An additional deficiency identified during the 2019 inspection that does not relate directly to the sufficiency or appropriateness of evidence the firm obtained to support its opinion(s), which appears in Part I.B, related to retention of audit documentation.

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2019 Inspection

During the PCAOB's 2019 inspection of Crowe LLP, we assessed the firm's compliance with laws, rules, and professional standards applicable to the audits of public companies.

We selected for review 14 audits of issuers with fiscal years generally ending in 2018. For each issuer audit selected, we reviewed a portion of the audit. We also evaluated elements of the firm's system of quality control.

What's Included in this Inspection Report

This report includes the following sections:

- **Overview of the 2019 Inspection and Historical Data by Inspection Year:** Information on our inspection, historical data, and common deficiencies.
- **Part I – Inspection Observations:**
 - o **Part I.A:** Deficiencies that were of such significance that we believe the firm, at the time it issued its audit report(s), had not obtained sufficient appropriate audit evidence to support its opinion on the issuer's financial statements and/or ICFR.
 - o **Part I.B:** Deficiencies that do not relate directly to the sufficiency or appropriateness of evidence the firm obtained to support its opinion(s) but nevertheless relate to instances of non-compliance with PCAOB standards or rules.
- **Part II – Observations Related to Quality Control:** Criticisms of, or potential defects in, the firm's system of quality control. Section 104(g)(2) of the Sarbanes-Oxley Act ("the Act") restricts us from publicly disclosing Part II deficiencies unless the firm does not address the criticisms or potential defects to the Board's satisfaction no later than 12 months after the issuance of this report.
- **Appendix A – Firm's Response to the Draft Inspection Report:** The firm's response to a draft of this report, excluding any portion granted confidential treatment.

2019 Inspection Approach

In selecting issuer audits for review, we use both risk-based and random methods of selection. We make most selections based on (1) our internal evaluation of audits we believe have a heightened risk of material misstatement, including those with challenging audit areas, and (2) other risk-based characteristics, including issuer and firm considerations. We select the remaining audits randomly to provide an element of unpredictability.

When we review an audit, we do not review every aspect of the audit. Rather, we generally focus our attention on audit areas we believe to be of greater complexity, areas of greater significance or with a heightened risk of material misstatement to the issuer's financial statements, and areas of recurring deficiencies. We may also select some audit areas for review in a manner designed to incorporate unpredictability.

Our selection of audits for review does not constitute a representative sample of the firm's total population of issuer audits. Additionally, our inspection findings are specific to the particular portions of the issuer audits reviewed. They are not an assessment of all of the firm's audit work nor of all of the audit procedures performed for the audits reviewed.

View the details on the [scope of our inspections and our inspections procedures](#).

Overview of the 2019 Inspection and Historical Data by Inspection Year

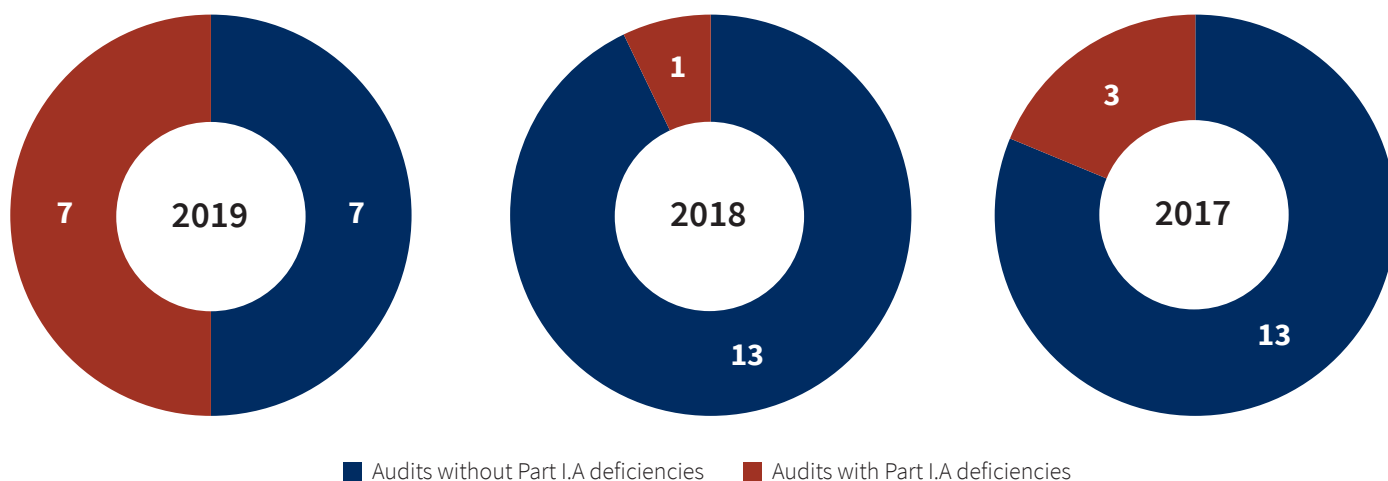
The following information provides an overview of our 2019 inspection as well as data from the previous two inspections. We use a combination of risk-based and random methods to select audits for review and to identify areas on which we focus our review. Because our inspection process evolves over time, it can, and often does, focus on a different mix of audits and audit areas from year to year and firm to firm. As a result of this variation, we caution that our inspection results are not necessarily comparable over time or among firms.

Audits Reviewed

	2019	2018	2017
Total audits reviewed	14	14	16
Audits in which the firm was the principal auditor	14	14	16
Integrated audits of financial statements and ICFR	11	11	12
Risk-based selections	12	14	16
Random selections	2	0	0

Part I.A Deficiencies in Audits Reviewed

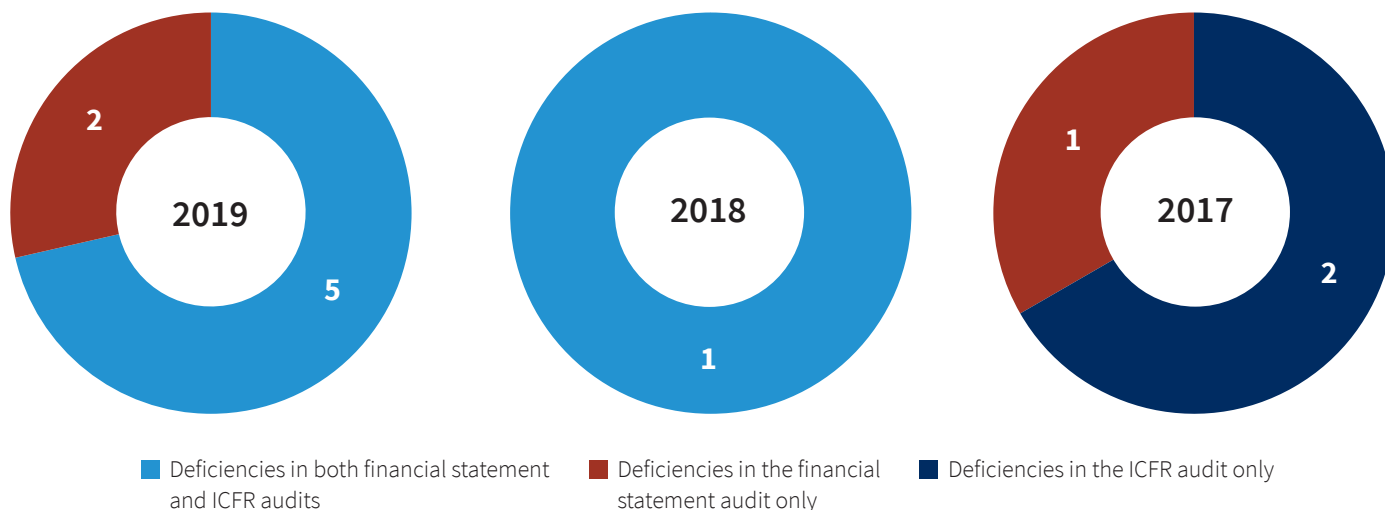
In 2019, six of the seven audits appearing in Part I.A were selected for review using risk-based criteria. In both 2018 and 2017, all audits appearing in Part I.A were selected for review using risk-based criteria.



If a deficiency is included in Part I.A of our report, it does not necessarily mean that the firm has not addressed the deficiency. In many cases, the firm has performed remedial actions after the issue was identified. Depending on the circumstances, remedial actions may include performing additional audit procedures, informing management of the issuer of the need for changes to the financial statements or reporting on ICFR, or taking steps to prevent reliance on prior audit reports. Our inspection normally includes a review, on a sample basis, of the adequacy of a firm's remedial actions, either with respect to previously identified deficiencies or deficiencies identified during the current inspection. If a firm does not take appropriate actions to address deficiencies, we may criticize its system of quality control or pursue a disciplinary action.

The fact that we have included a deficiency in our report — other than those deficiencies for audits with incorrect opinions on the financial statements and/or ICFR — does not necessarily mean that the issuer’s financial statements are materially misstated or that undisclosed material weaknesses in ICFR exist. It is often not possible for us to reach a conclusion on those points based on our inspection procedures and related findings because, for example, we have only the information that the auditor retained and the issuer’s public disclosures. We do not have direct access to the issuer’s management, underlying books and records, and other information.

Audits Affected by the Deficiencies Identified in Part I.A



The following tables and graphs summarize inspection-related information, by inspection year, for 2019 and the previous two inspections. We caution against making any comparison of the data provided without reading the descriptions of the underlying deficiencies in each respective inspection report.

Most Frequently Identified Part I.A Deficiencies

Deficiencies in audits of financial statements	Audits with Part I.A deficiencies		
	2019	2018	2017
Did not sufficiently evaluate significant assumptions or data that the issuer used in developing an estimate	4	0	0
Did not perform substantive procedures to obtain sufficient evidence as a result of overreliance on controls (due to deficiencies in testing controls)	3	1	1
Did not perform sufficient testing related to an account or significant portion of an account or to address an identified risk	2	0	0

Deficiencies in ICFR audits	Audits with Part I.A deficiencies		
	2019	2018	2017
Did not perform sufficient testing of the design and/or operating effectiveness of controls selected for testing	4	0	2
Did not identify and/or sufficiently test controls over the accuracy and completeness of data or reports that the issuer used in the operation of controls	2	1	1
Did not identify and test any controls related to a significant account or relevant assertion	2	0	0

Audit Areas Most Frequently Reviewed

This table reflects the five audit areas we have selected most frequently for review in each inspection year (and the related Part I.A deficiencies). For the issuer audits selected for review, we selected these areas because they were generally significant to the issuer's financial statements, may have included complex issues for auditors, and/or involved complex judgments in (1) estimating and auditing the reported value of related accounts and disclosures and (2) implementing and auditing the related controls.

2019			2018			2017		
Audit area	Audits reviewed	Audits with Part I.A deficiencies	Audit area	Audits reviewed	Audits with Part I.A deficiencies	Audit area	Audits reviewed	Audits with Part I.A deficiencies
Allowance for loan losses	9	2	Allowance for loan losses	9	0	Allowance for loan losses	10	1
Investment securities	4	2	Business combinations	5	0	Revenue and related accounts	4	1
Revenue and related accounts	4	1	Revenue and related accounts	4	0	Business combinations	4	0
Loans and related accounts	4	0	Investment securities	3	0	Investment securities	4	0
Business combinations	3	3	Deposit liabilities	2	1	Loans and related accounts	3	0

Audit Areas with Frequent Part I.A Deficiencies

This table reflects the audit areas with the most frequently identified Part I.A deficiencies in each inspection year with the corresponding results for the other two years presented.

Audit area	2019		2018		2017	
	Audits with Part I.A deficiencies	Audits reviewed	Audits with Part I.A deficiencies	Audits reviewed	Audits with Part I.A deficiencies	Audits reviewed
Business combinations	3	3	0	5	0	4
Allowance for loan losses	2	9	0	9	1	10
Investment securities	2	4	0	3	0	4
Revenue and related accounts	1	4	0	4	1	4

Business combinations: The deficiencies in 2019 primarily related to substantive testing of, and testing controls over, assumptions used by the issuer to determine the fair values of acquired assets.

Allowance for loan losses: The deficiencies in 2019 primarily related to testing controls over the allowance for loan losses, including controls that included a review element, and the resulting overreliance on controls when performing substantive testing. The deficiency in 2017 related to testing controls over the assumptions or other inputs used by the issuer to estimate the allowance for loan losses.

Investment securities: The deficiencies in 2019 related to substantive testing of, and testing controls over, the valuation of investments securities.

Revenue and related accounts: The deficiency in 2019 related to substantive testing of revenue. The deficiencies in 2017 related to testing controls over revenue, including controls over the accuracy and completeness of data used in the performance of controls, and the resulting overreliance on controls when performing substantive testing.

Auditing Standards Associated with Identified Part I.A Deficiencies

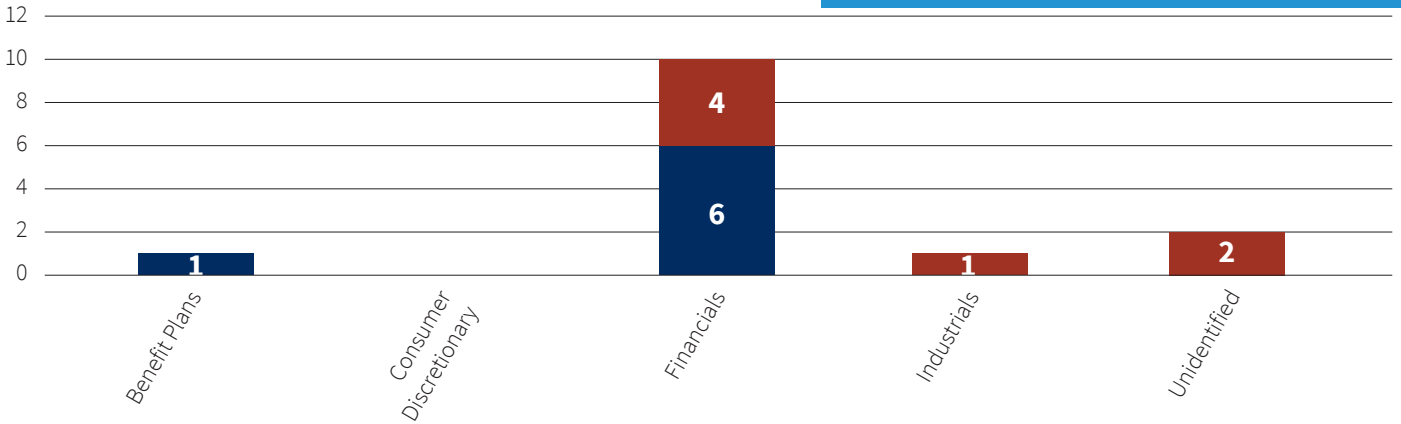
The following lists the auditing standards referenced in Part I.A of the 2019 and the previous two inspection reports and the number of times that the standard is cited in Part I.A.

PCAOB Auditing Standards	2019	2018	2017
<i>AS 1105, Audit Evidence</i>	1	0	1
<i>AS 1210, Using the Work of a Specialist</i>	6	0	0
<i>AS 2201, An Audit of Internal Control Over Financial Reporting That Is Integrated with An Audit of Financial Statements</i>	11	1	8
<i>AS 2301, The Auditor's Responses to the Risks of Material Misstatement</i>	2	1	2
<i>AS 2305, Substantive Analytical Procedures</i>	2	0	0
<i>AS 2315, Audit Sampling</i>	3	1	1
<i>AS 2502, Auditing Fair Value Measurements and Disclosures</i>	3	0	0

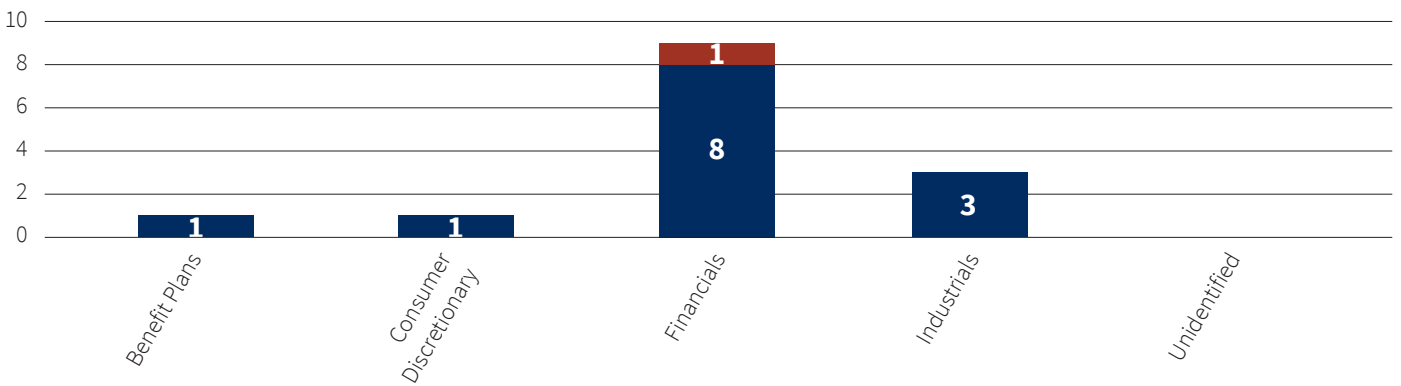
Inspection Results by Issuer Industry Sector

The majority of industry sector data is based on Global Industry Classification Standard ("GICS") data obtained from Standard & Poor's ("S&P"). In instances where GICS data for an issuer is not available from S&P, classifications are assigned based upon North American Industry Classification System data. In instances where classifying an issuer using its industry sector could make an issuer identifiable, we have instead classified such issuer(s) as "unidentified."

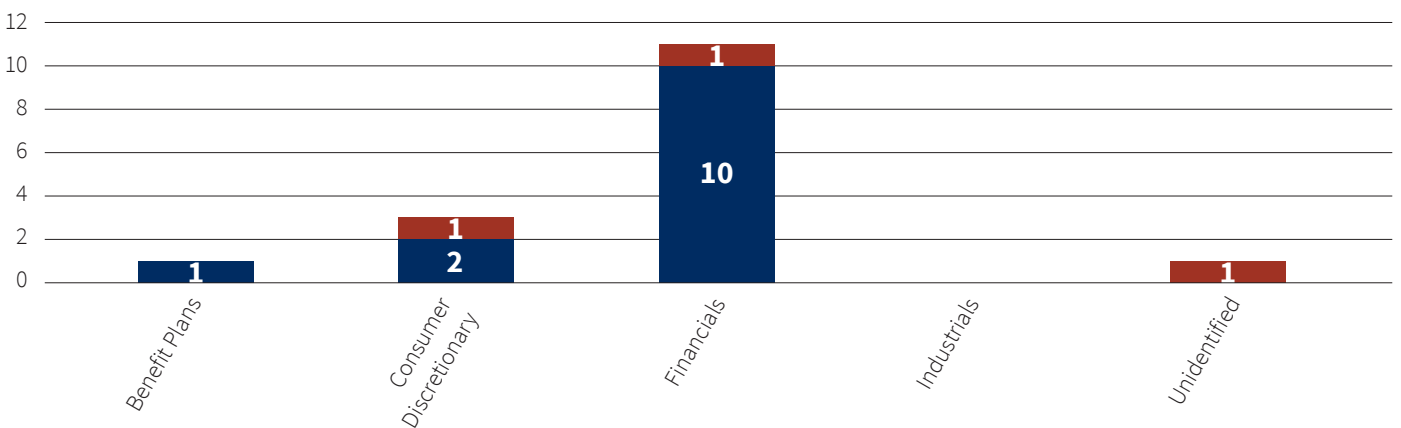
2019



2018



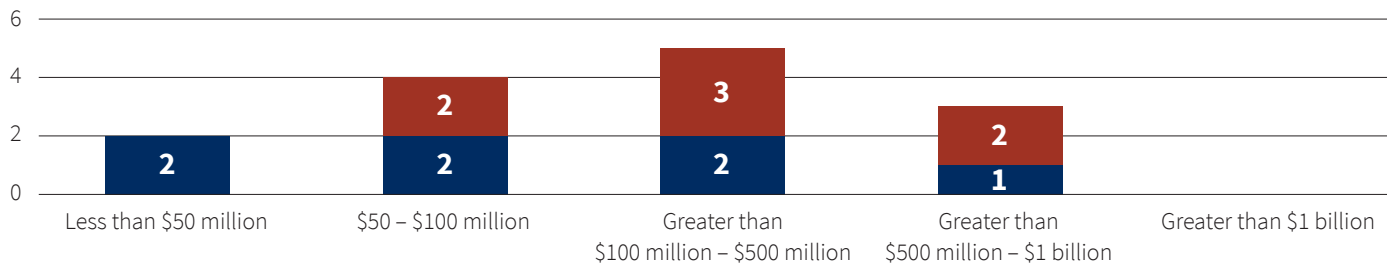
2017



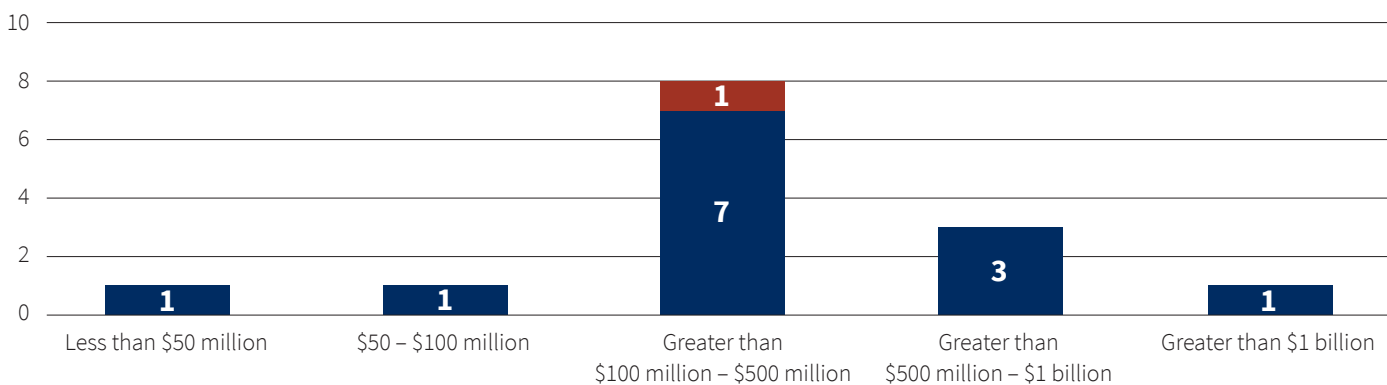
■ Audits without Part I.A deficiencies ■ Audits with Part I.A deficiencies

Inspection Results by Issuer Revenue Range

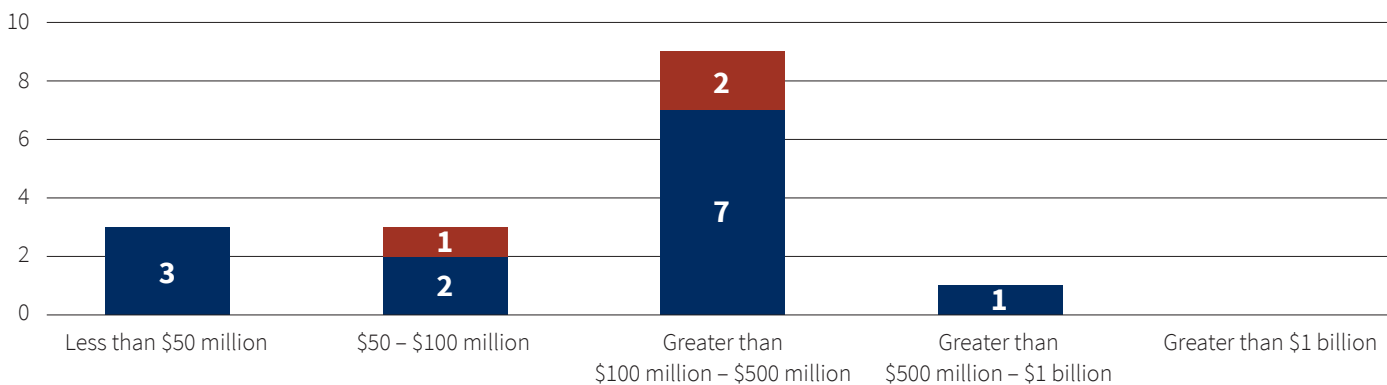
2019



2018



2017



■ Audits without Part I.A deficiencies
 ■ Audits with Part I.A deficiencies

Classification of Audits with Part I.A Deficiencies

Within Part I.A of this report, we classify each issuer audit in one of the categories discussed below based on the Part I.A deficiency or deficiencies identified in our review.

The sole purpose of this classification system is to group and present issuer audits by the number of Part I.A deficiencies we identified within the audit as well as to highlight audits with an incorrect opinion on the financial statements and/or ICFR.

Audits with an Incorrect Opinion on the Financial Statements and/or ICFR

This classification includes instances where a deficiency was identified in connection with our inspection and, as a result, an issuer's financial statements were determined to be materially misstated, and the issuer restated its financial statements. It also includes instances where a deficiency was identified in connection with our inspection and, as a result, an issuer's ICFR was determined to be ineffective, or there were additional material weaknesses that the firm did not identify, and the firm withdrew its opinion, or modified its report, on ICFR. This classification does not include instances where, unrelated to our review, an issuer restated its financial statements and/or an issuer's ICFR was determined to be ineffective. Any deficiencies identified in connection with our reviews of these audits would be included in the audits with multiple deficiencies or audits with a single deficiency classification below.

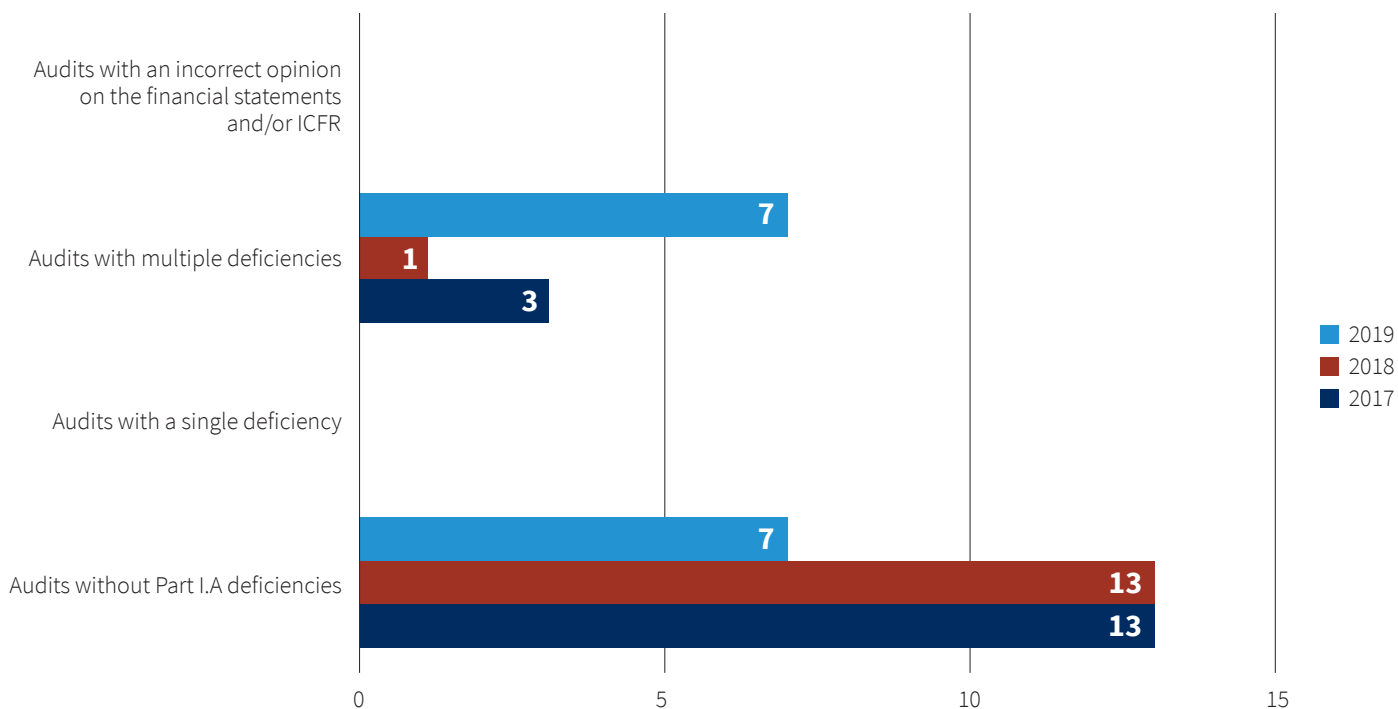
Audits with Multiple Deficiencies

This classification includes instances where multiple deficiencies were identified that related to a combination of one or more financial statement accounts, disclosures, and/or important controls in an ICFR audit.

Audits with a Single Deficiency

This classification includes instances where a single deficiency was identified that related to a financial statement account or disclosure or to an important control in an ICFR audit.

Number of Audits in Each Category



Part I: Inspection Observations

Part I.A of our report discusses deficiencies that were of such significance that we believe the firm, at the time it issued its audit report(s), had not obtained sufficient appropriate audit evidence to support its opinion on the issuer's financial statements and/or ICFR. Part I.B discusses deficiencies that do not relate directly to the sufficiency or appropriateness of evidence the firm obtained to support its opinion(s) but nevertheless relate to instances of non-compliance with PCAOB standards or rules. Consistent with the Act, it is the Board's assessment that nothing in Part I of this report deals with a criticism of or potential defect in the firm's quality control system. Any such criticisms or potential defects are discussed in Part II. Further, you should not infer from any Part I deficiency or combination of deficiencies that a quality control finding is identified in Part II.

Part I.A: Audits with Unsupported Opinions

This section of our report discusses the deficiencies identified, by specific issuer audit reviewed, in the audit work supporting the firm's opinion on the issuer's financial statements and/or ICFR.

We identify each issuer by a letter (e.g., Issuer A). Each deficiency could relate to several auditing standards, but we reference the PCAOB standard(s) that most directly relates to the requirement with which the firm did not comply.

Issuer audits are presented below within their respective deficiency classifications (as discussed previously). Within the classifications, we generally present the audits based on our assessment as to the relative significance of the identified deficiencies taking into account the significance of the financial statement accounts and/or disclosures affected, and/or the nature or extent of the deficiencies.

Audits with an Incorrect Opinion on the Financial Statements and/or ICFR

None

Audits with Multiple Deficiencies

Issuer A

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement and ICFR audits related to a **Business Combination, Goodwill, and Revenue**.

Description of the deficiencies identified

With respect to a **Business Combination** and **Goodwill**:

The issuer used external specialists to (1) determine the fair values of intangible assets acquired in a business combination completed during the year and (2) perform an impairment analysis of certain reporting units, including the determination of the fair values of those reporting units. In each instance, the estimated fair values were determined using issuer-prepared forecasted cash flows. The firm did not determine the likely sources of potential misstatement related to these forecasted cash flows and did not identify and test any controls that addressed the risks associated with the issuer's development of the forecasted cash flows. (AS 2201.30 and .39)

With respect to a **Business Combination**:

The firm selected for testing a control over the review of the fair value of the acquired intangible assets discussed above and concluded that it was deficient. The firm did not perform sufficient procedures to evaluate the severity of the control deficiency because it did not evaluate the magnitude of the potential misstatement resulting from the deficiency, beyond relying on the results of its substantive procedures. (AS 2201.62)

The firm's approach for testing the fair value of acquired intangible assets was to review and test management's process. The firm did not perform any procedures, beyond inquiring of management, to test the forecasted cash flows, after the first forecasted year, that were provided to the external specialist to value the acquired intangible assets. (AS 1210.12)

With respect to **Goodwill**:

The firm selected for testing a control over the review of the issuer's annual goodwill impairment analysis. The firm did not evaluate the review procedures that the control owners performed, including the procedures to identify items for follow up and the procedures to determine whether those items were appropriately resolved. (AS 2201.42 and .44) In addition, the firm did not identify and test any controls over the accuracy and completeness of certain information (other than forecasted cash flows, which is discussed above) used in the operation of this control. (AS 2201.39)

The firm's approach for testing the issuer's annual goodwill impairment analysis was to review and test management's process. The firm did not perform any procedures, beyond inquiring of management, to test the forecasted cash flows, after the first forecasted year, that were provided to the external specialist to determine the fair value of the reporting units. (AS 1210.12) In addition, the firm did not test the carrying value of one of the issuer's reporting units. (AS 1210.12)

With respect to **Revenue**:

For revenue recognized from certain customers, the firm did not perform procedures to determine whether the transactions selected for testing met the revenue recognition criteria. (AS 2301.08)

Issuer B – Industrials

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement and ICFR audits related to a **Business Combination**.

Description of the deficiencies identified

During the year, the issuer acquired a business and used an external specialist to determine the fair values of the acquired intangible assets. The firm did not determine the likely sources of potential misstatement related to the accounting for the business combination and did not identify and test any controls that addressed the risks associated with the business combination. (AS 2201.30 and .39)

The firm's approach for testing the fair value of acquired intangible assets was to review and test management's process. The firm did not test the forecasted cash flows and the accuracy and completeness of other data that were provided to the external specialist. (AS 1210.12) In addition, the firm did not evaluate the reasonableness of the assumptions developed by the issuer or the external specialist. (AS 2502.26 and .28)

Issuer C – Financials

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement and ICFR audits related to the **Allowance for Loan Losses ("ALL")**.

Description of the deficiencies identified

The firm selected for testing a control over the review of assigned loan grades. The loan grades were an important input in estimating the ALL. The firm did not evaluate the specific review procedures that the control owners performed to assess the reasonableness of the assigned loan grades. (AS 2201.42 and .44)

The sample size the firm used in its substantive procedures to test the reasonableness of the assigned loan grades was too small to provide sufficient appropriate audit evidence because these procedures were designed based on a level of control reliance that was not supported due to the deficiency in the firm’s control testing discussed above. (AS 2315.19, .23, and .23A)

Issuer D – Financials

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement and ICFR audits related to the **ALL**.

Description of the deficiencies identified

The firm selected for testing a control that consisted of the review of the qualitative component of the general reserve. The firm did not evaluate the review procedures that the control owner performed, including the procedures to identify items for follow up and the procedures to determine whether those items were appropriately resolved. (AS 2201.42 and .44)

The issuer assigned loan grades to certain of its loans. The loan grades were an important input in determining whether a loan would be individually evaluated for impairment or considered as part of the general reserve. The following deficiencies were identified:

- The firm selected for testing a control that consisted of the external loan review (“ELR”) of assigned loan grades for certain loans. The firm did not evaluate the specific review procedures that the external loan reviewers performed to assess the reasonableness of the assigned loan grades. (AS 2201.42 and .44)
- The firm selected for testing a control that consisted of the review of assigned loan grades for loans not subject to the ELR control discussed above. The firm did not evaluate the review procedures that the control owners performed, including the procedures to identify items for follow up and the procedures to determine whether those items were appropriately resolved. (AS 2201.42 and .44) In addition, the firm did not test the aspect of this control that addressed the accuracy and completeness of the reports used in the operation of this control. (AS 2201.42 and .44)
- The sample size the firm used in its substantive procedures to test the reasonableness of the assigned loan grades was too small to provide sufficient appropriate audit evidence because these procedures were designed based on a level of control reliance that was not supported due to the deficiencies in the firm’s control testing discussed above. (AS 2315.19, .23, and .23A)

Issuer E – Financials

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement and ICFR audits related to **Investments**.

Description of the deficiencies identified

The issuer recorded the fair values of securities based on the prices it received from an external pricing service. The firm selected for testing a control that consisted of, for a judgmental sample of securities, the comparison of these prices to prices obtained from another external pricing service. The firm did not evaluate whether the control was designed to address the risks of material misstatement presented by the securities not subject to the control given the selection method applied by the issuer. (AS 2201.42)

The sample size the firm used in its substantive procedures to test securities was too small to provide sufficient appropriate audit evidence because these procedures were designed based on a level of control reliance that was not supported due to the deficiency in the firm’s control testing discussed above. (AS 2315.19, .23, and .23A)

Issuer F

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement audit related to a **Business Combination** and **Inventory**.

Description of the deficiencies identified

With respect to a **Business Combination**:

During the year, the issuer acquired a business and used an external specialist to determine the fair values of the acquired intangible assets and property, plant, and equipment (“PP&E”). The firm’s approach for testing the fair value of these acquired assets was to review and test management’s process. The firm did not perform any procedures, beyond inquiring of management, to test the forecasted cash flows that were provided to the external specialist. (AS 1210.12) In addition, the firm did not perform any procedures, beyond inquiring of management, to evaluate the reasonableness of the assumptions developed by the external specialist. (AS 2502.26 and .28)

The external specialist determined the fair value of the PP&E using an issuer-prepared asset listing. The firm did not sufficiently test the accuracy and completeness of the listing because it limited its procedures to comparing the asset listing to the PP&E roll-forward schedule and general ledger of the acquired business. (AS 1210.12)

With respect to **Inventory**:

The firm’s substantive procedures to test certain inventory costs consisted of analytical procedures. The firm did not perform procedures to obtain evidence that the expectations it used would be predictive of the inventory costs as of year end. (AS 2305.13 and .14) In addition, the firm did not test, or in the alternative, test controls over, the accuracy and completeness of the data it used to develop its expectations. (AS 2305.16)

Issuer G – Financials

Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement audit related to **Investments**.

Description of the deficiencies identified

The firm did not sufficiently evaluate the reasonableness of the assumptions the issuer used to determine the fair value of certain investments because it limited its procedures to comparing the assumptions used at year end to those used in the third quarter and quantifying the effect of the differences. (AS 2502.26 and .28)

To address an identified fraud risk, the firm selected investments for testing that exceeded a monetary threshold. The firm did not perform any procedures to address the fraud risk in the remaining population of investments. (AS 1105.27; AS 2301.13)

Audits with a Single Deficiency

None

Part I.B: Other Instances of Non-Compliance with PCAOB Standards or Rules

This section of our report discusses any deficiencies we identified that do not relate directly to the sufficiency or appropriateness of evidence the firm obtained to support its opinion(s) but nevertheless relate to instances of non-compliance with PCAOB standards or rules. When we review an audit, we do not review every aspect of the audit. As a result, the area below was not necessarily reviewed on every audit. In some cases, we assess the firm's compliance with specific PCAOB standards or rules on other audits that were not otherwise selected for review and may include instances of non-compliance below.

We identified the following deficiency:

In seven of 14 audits reviewed, the firm did not include all relevant work papers in the final set of audit documentation it was required to assemble. In these instances, the firm was non-compliant with AS 1215, *Audit Documentation*.

Part II: Observations Related To Quality Control

Part II of our report discusses criticisms of, and potential defects in, the firm's system of quality control.

Deficiencies are included in Part II if an analysis of the inspection results, including the results of the reviews of individual audits, indicates that the firm's system of quality control does not provide reasonable assurance that firm personnel will comply with applicable professional standards and requirements. Generally, the report's description of quality control criticisms is based on observations from our inspection procedures.

Any changes or improvements to its system of quality control that the firm may have brought to the Board's attention may not be reflected in this report, but are taken into account during the Board's assessment of whether the firm has satisfactorily addressed the quality control criticisms or defects no later than 12 months after the issuance of this report.

Criticisms of, and potential defects in, the firm's system of quality control, to the extent any are identified, are nonpublic when the reports are issued. If a firm does not address to the Board's satisfaction any criticism of, or potential defect in, the firm's system of quality control within 12 months after the issuance of our report, any such deficiency will be made public.

Appendix A: Firm's Response to the Draft Inspection Report

Pursuant to section 104(f) of the Act, 15 U.S.C. § 7214(f), and PCAOB Rule 4007(a), the firm provided a written response to a draft of this report. Pursuant to section 104(f) of the Act and PCAOB Rule 4007(b), the firm's response, excluding any portion granted confidential treatment, is attached hereto and made part of this final inspection report.

The Board does not make public any of a firm's comments that address a nonpublic portion of the report unless a firm specifically requests otherwise. In some cases, the result may be that none of a firm's response is made publicly available.

In addition, pursuant to section 104(f) of the Act, 15 U.S.C. § 7214(f), and PCAOB Rule 4007(b), if a firm requests, and the Board grants, confidential treatment for any of the firm's comments on a draft report, the Board does not include those comments in the final report. The Board routinely grants confidential treatment, if requested, for any portion of a firm's response that addresses any point in the draft that the Board omits from, or any inaccurate statement in the draft that the Board corrects in, the final report.



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December 1, 2020

Mr. George Botic, Director
Division of Registration and Inspections
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, DC 20006

Re: Response to Part I of the Draft Report on the 2019 Inspection of Crowe LLP

Dear Mr. Botic:

Crowe LLP appreciates the opportunity to respond to the Public Company Accounting Oversight Board's ("PCAOB") draft report on the 2019 Inspection of Crowe LLP (the "Report").

We believe the PCAOB's inspection process serves an important role in improving audit quality for the benefit of investors and the public interest. We take seriously the matters identified by the PCAOB, which we analyze in our ongoing efforts to strengthen our quality control processes and audit performance.

We have carefully considered the matters identified in Part I.A and I.B of the Report and have taken actions to address the matters in accordance with PCAOB standards and our policies. These actions include performing additional procedures when appropriate and including additional documentation in our files to more completely describe and support our procedures and conclusions.

Crowe LLP is committed to performing high quality audits, and we have designed our quality control and monitoring systems to drive continuous improvement. We look forward to continued dialogue with the PCAOB to advance the shared goal of audit quality.

Sincerely,

Crowe LLP
Crowe LLP

