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PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD

In the Matter of) PricewaterhouseCoopers LLP's) Quality Control Remediation) Submissions)	PCAOB Release No.104-2013-054
	March 7, 2013
	I.

The Public Company Accounting Oversight Board ("Board" or "PCAOB") has evaluated the submissions of PricewaterhouseCoopers LLP ("the Firm") pursuant to PCAOB Rule 4009(a) for the remediation periods ended March 25, 2010 and August 12, 2011 concerning the Firm's efforts to address certain quality control criticisms included in the nonpublic portions of the Board's March 25, 2009 and August 12, 2010 inspection reports on the Firm ("the Reports"). The Board has determined that as of March 25, 2010 and August 12, 2011, respectively, the Firm had not addressed certain criticisms in the Reports to the Board's satisfaction. Accordingly, pursuant to Section 104(g)(2) of the Sarbanes-Oxley Act of 2002 ("the Act") and PCAOB Rule 4009(d), the Board is making public the portions of the Reports that deal with those criticisms. 1/

The Firm has notified the Board that it will not seek Securities and Exchange Commission review of the determination, which the Firm has a right to do under the Act and Commission rules. The Firm has requested that a related statement by the Firm be attached as an Appendix to this release, and the Board has granted that request. By allowing the Firm's statement to be attached as an

Those portions of the Reports are now included in the versions of the Reports that are publicly available on the Board's web site. Observations in Board inspection reports are not a result of an adversarial adjudicative process and do not constitute conclusive findings of fact or of violations for purposes of imposing legal liability.

Appendix to this release, however, the Board is not endorsing, confirming, or adopting as the Board's view any element of the Firm's statement.

II.

The quality control remediation process is central to the Board's efforts to cause firms to improve the quality of their audits and thereby better protect investors. The Board therefore takes very seriously the importance of firms making sufficient progress on quality control issues identified in an inspection report in the 12 months following the report. Particularly with the largest firms, which are inspected annually, the Board devotes considerable time and resources to critically evaluating whether the firm did in fact make sufficient progress in that period. The Board makes the relevant criticisms public when a firm has failed to do so to the Board's satisfaction.

It is not unusual for an inspection report to include nonpublic criticisms of several aspects of a firm's system of quality control. Any Board judgment that results in later public disclosure is a judgment about whether the firm made sufficient effort and progress to address the particular criticisms articulated in the report on that firm in the 12 months immediately following the report date. It is not a broad judgment about the effectiveness of a firm's system of quality control compared to those of other firms, and it does not signify anything about the merits of any additional efforts a firm may have made to address the criticisms after the 12-month period.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown Secretary

March 7, 2013



Statement of PricewaterhouseCoopers LLP on the PCAOB's March 7, 2013, Release No. 104-2013-054

The execution of quality audits in full compliance with PCAOB standards is the top priority of our practice and something in which our professionals take a significant amount of personal and professional pride. We continue to support the mission of the Public Company Accounting Oversight Board.

The Board issued a Release today making public certain portions of Part II of our 2008 and 2009 Inspection Reports (the "Part II comments"). The Release is based on the Board's determination that we did not address the matters contained in the Part II comments to the Board's satisfaction during the 12 month period following issuance of the reports. We believe that our actions in response to the Part II comments were significant, but we acknowledge the Board's determination with a view toward continued cooperation with the Board and in furtherance of our commitment to audit quality.

The Part II comments relate to some of the most complex, judgmental and evolving areas of auditing. Our actions relating to those areas, during the 12 months following issuance of the comments and thereafter, have included providing our audit professionals with enhanced audit tools, training and additional technical guidance to promote more consistent audit execution. We believe that these efforts have been important positive contributors to audit quality at our firm. We are proud of our focus on continuous improvement and of the dedication and high quality audit work performed by our partners and other professionals.

As the Board has explained, "[i]t is not unusual for an inspection report to include nonpublic criticisms of several aspects of a firm's system of quality control. Any Board judgment that results in later public disclosure is a judgment about whether the firm made sufficient effort and progress to address the particular criticisms articulated in the report on that firm in the 12 months immediately following the report date. It is not a broad judgment about the effectiveness of a firm's system of quality control compared to those of other firms, and it does not signify anything about the merits of any additional efforts a firm may have made to address the criticisms after the 12-month period."

We are one of the world's largest audit practices and a leader in the profession, and we are committed to maintaining our leading role in promoting further improvements in auditing and financial reporting and delivering the highest quality audits in the profession. We look forward to continuing our dialogue with the Board in support of our commitment to audit quality.