



December 16, 2020

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: File Number PCAOB-2020-01

Dear Ms. Countryman:

We appreciate the opportunity to comment on the Securities and Exchange Commission's (SEC or "the Commission") Release No. 34-90473, *Public Company Accounting Oversight Board; Notice of Filing of Proposed Rules on Amendments to PCAOB Interim Independence Standards and PCAOB Rules To Align With Amendments to Rule 2-01 of Regulation S-X* (the "PCAOB proposal").

On November 19, 2020, the Public Company Accounting Oversight Board (PCAOB or "the Board") adopted conforming amendments to its interim independence standards and its independence rules to align with amendments by the SEC to Rule 2-01 of Regulation S-X. As described in the PCAOB's proposal, the SEC's requirements and the PCAOB's interim independence standards and independence rules have historically worked together to establish the independence compliance requirements for auditors subject to the Board's jurisdiction. However, the SEC adopted amendments to Rule 2-01 in 2018 pertaining to lending relationships and in 2020 to address certain arrangements and relationships that the SEC believes are less likely to threaten an auditor's objectivity or impartiality. We expressed support for the SEC's amendments in our feedback throughout the SEC's process.

Several commenters, including us, provided feedback in connection with the SEC's 2020 amendments that certain changes to SEC independence rules overlapped with the PCAOB's requirements relating to lending arrangements and observed that the SEC's proposal to amend certain definitions in Rule 2-01(f), if adopted, would give rise to differences with some of the Board's existing definitions in Rule 3501. As a result, if certain of the PCAOB's interim independence standards and independence rules were not conformed to the SEC's amendments, the SEC's amendments could not be fully implemented.

The Board has adopted targeted amendments (1) to its interim independence standards applicable to lending arrangements between auditors and audit clients and (2) to align certain terms defined in Rule 3501 with the Commission's recent amendments to its definitions of those terms in Rule 2-01(f). We agree with the Board that these amendments should help provide greater regulatory certainty by avoiding differences and duplicative requirements, and we support the Commission approving the PCAOB proposal as it further aligns the SEC and PCAOB independence requirements.



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We appreciate the opportunity to express our views and would be pleased to discuss our comments or answer any questions. Please contact Samuel L. Burke at [REDACTED] regarding our submission.

Sincerely,

PricewaterhouseCoopers LLP

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