

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

U.S. DISTRICT COURT
DISTRICT OF VERMONT
FILED

2021 NOV 22 AM 10:43

CLERK

~~NOTICE OF REMOVAL~~

DEPUTY CLERK

State Court Case No. 21-CV-0335

21-cv-273

MICHAEL S. PIECIAK, in his official
capacity as COMMISSIONER OF THE
VERMONT DEPARTMENT OF
FINANCIAL REGULATION, solely as
LIQUIDATOR of GLOBAL HAWK
INSURANCE COMPANY RISK
RETENTION GROUP,

Plaintiff,

v.

CROWE LLP

Defendant.

TO: CLERK OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF VERMONT AND COUNSEL OF RECORD FOR PLAINTIFF MICHAEL S. PIECIAK, in his official capacity as COMMISSIONER OF THE VERMONT DEPARTMENT OF FINANCIAL REGULATION, solely as LIQUIDATOR of GLOBAL HAWK INSURANCE COMPANY RISK RETENTION GROUP

NOTICE OF REMOVAL

Pursuant to 28 U.S.C. §§ 1332, 1441 and 1446, Defendant Crowe LLP (“Crowe”), by and through its counsel, and reserving all defenses and objections, respectfully removes this action, titled *Michael S. Pieciak, in his official capacity as Commissioner of the Vermont Department of Financial Regulation, solely as Liquidator of Global Hawk Insurance Company Risk Retention Group v. Crowe LLP*, filed in the Superior Court of Washington County, Vermont, Civil Division, Case No. 21-CV-0335 (the “State Court Action”) to the United States District Court for the District of Vermont. As grounds for removal, Crowe states as follows:

BACKGROUND

1. Plaintiff Michael S. Pieciak (“Plaintiff,” or the “Liquidator”) is the duly appointed

Commissioner of the Vermont Department of Financial Regulation (“Department”), and in that capacity was appointed the Liquidator of Global Hawk Insurance Company Risk Retention Group (“Global Hawk”) pursuant to the June 8, 2020 Order of Liquidation entered by the Vermont Superior Court.

2. The Liquidator filed his complaint in the State Court Action on October 26, 2021. A true and correct copy of the Complaint and Summons in the State Court Action is attached hereto as **Exhibit A**.

3. Crowe first received a copy of the Complaint on October 28, 2021 through its counsel. Crowe is the only defendant named in the action.

4. The Complaint purports to bring causes of action for negligence (Counts I-III), negligent misrepresentation (Counts IV-VI), and breach of contract (Counts VII-IX).

BASIS FOR REMOVAL

A. This Court Has Original Jurisdiction Over This Action Pursuant To 28 U.S.C. § 1332(a), And Removal Is Proper Pursuant To 28 U.S.C. § 1441(a).

5. Under 28 U.S.C. § 1441(a), any civil action over which the district courts of the United States have original jurisdiction may be removed from state court to the United States district court for the district embracing the place where the action is pending.

6. Under 28 U.S.C. § 1332(a), this Court has original jurisdiction over all civil actions between citizens of different states, where the matter in controversy exceeds the sum or value of Seventy Five Thousand U.S. Dollars (\$75,000.00), exclusive of interest and costs.

7. Plaintiff “has a business address of Vermont Department of Financial Regulation, 89 Main Street, Montpelier, Vermont 05620” and is a citizen of Vermont. (Ex. A at ¶ 1; *see also Michael S. Pieciak, in his official capacity as Commissioner of the Vermont Department of Financial Regulation, solely as Liquidator of Global Hawk Insurance Company Risk Retention*

Group v. Thandi, et al., No. 2:20-cv-00173, dkt. 1 at ¶ 10 (alleging diversity jurisdiction in the District of Vermont based, in part, on Plaintiff’s Vermont citizenship).)

8. Global Hawk is a nonstock mutual insurance company organized and existing under the laws of the State of Vermont, with its statutory office, main administrative office, and principal place of business at 26 Cornerstone Road, P.O. Box 137, Fairfax, Vermont 05454. (Ex. A at ¶ 3.) Global Hawk is a Vermont corporation and a citizen of Vermont. (See Vermont Sec. of State, <https://bizfilings.vermont.gov/online/BusinessInquire/BusinessInformation?businessID=129844>, lasted visited November 19, 2021.)

9. Crowe is a Limited Liability Partnership and therefore “has the citizenship of each of its general and limited partners.” See *Caren v. Collins*, 689 Fed. Appx. 75, 76 (2d Cir. 2017) (citing *Carden v. Arkoma Assocs.*, 494 U.S. 185, 195-96 (1990)). Crowe is a citizen of Alabama, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and the District of Columbia. Crowe is not a citizen of Vermont.

10. The complaint alleges, among other things, that Crowe negligently overstated Global Hawk’s assets by tens of millions of dollars, and that the Department, Global Hawk, Global Hawk’s policyholders, and Global Hawk’s creditor were all harmed as a result. There is no dispute that the amount in controversy exceeds the sum of \$75,000.

11. Based on the foregoing, there is diversity of citizenship in this action, and the matter in controversy exceeds the sum or value of \$75,000. Pursuant to § 1332, this Court has original jurisdiction over this matter. Moreover, Crowe is not a citizen of the state in which the State Court Action was originally brought. See 28 U.S.C. § 1441(b)(2).

12. Accordingly, this matter is properly removed to this Court pursuant to § 1441(a).

B. The Procedural Requirements For Removal Are Satisfied.

13. **Removal is Timely Filed.** A Notice of Removal “shall be filed within 30 days after receipt by the defendant, through service or otherwise, of a copy of the initial pleading setting forth the claim for relief upon which such action or proceeding is based.” 28 U.S.C. § 1446(b)(1). Crowe first received a copy of the Complaint through its counsel on October 28, 2021. (Ex. A.) This Notice of Removal is being filed on November 22, 2021, less than 30 days after October 28, 2021.

14. **Removal to Proper Court.** This Court is part of the “district and division embracing” Washington County, Vermont, where the State Court Action was filed. *See* 28 U.S.C. § 1441(a).

15. **Consent to Removal.** Crowe is the only named defendant in the State Court Action and seeks removal.

16. **Notice.** Pursuant to 28 U.S.C. § 1446(d), promptly after filing this Notice of Removal, Crowe will serve written notice of the filing on the Liquidator and will file a copy of the Notice of Removal with the Clerk of the Superior Court of Washington County, Vermont. A true and correct copy of the Notice of Filing of Notice of Removal that will be promptly served on all parties and filed with the Superior Court of Washington County, Vermont, is attached hereto as **Exhibit B.**

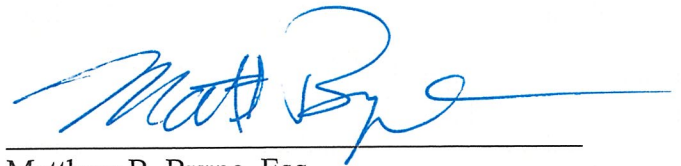
17. **Pleadings and Process.** Pursuant to 28 U.S.C. § 1446(a), copies of all process, pleadings, and orders previously served on Crowe in the State Court Action are attached hereto as Exhibit A.

18. **Non-Waiver of Defenses and Objections to Plaintiff’s Complaint.** By filing this

Notice of Removal, Crowe does not waive any defenses, objections, or counterclaims that may be available to it or that may be asserted in an answer or other pleading filed in response to the complaint, including without limitation a motion to dismiss pursuant to Federal Rule of Civil Procedure 12.

WHEREFORE, the Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1332, Crowe LLP hereby removes the above-titled action from the Superior Court of Washington County, Vermont for further proceedings and adjudication in this District Court in accordance with 28 U.S.C. §§ 1441 and 1446.

Dated: Burlington, Vermont
November 22, 2021



Matthew B. Byrne, Esq.
Gravel & Shea PC
76 St. Paul Street, 7th Floor, P.O. Box 369
Burlington, VT 05402-0369
(802) 658-0220
mbyrne@gravelshea.com
For Defendant

Exhibit A



State of Vermont
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101

For consumer assistance:
[Banking] 888-568-4547
[Insurance] 800-964-1784
[Securities] 877-550-3907
www.dfr.vermont.gov

November 5, 2021

BY FIRST CLASS MAIL

CT Corporation System
Registered Agent, Crowe LLP
17 GW Tatro Drive
Jeffersonville, VT 05464-9919

Re: Michael S. Pieciak, Liquidator, Global Hawk v. Crowe LLP, 21-cv-03350

Dear Sir or Madam:

I write on behalf of the Commissioner of the Vermont Department of Financial Regulation, solely in his capacity as Liquidator ("Liquidator") of Global Hawk Insurance Company Risk Retention Group ("Global Hawk).

I enclose for service upon Crowe LLP a Summons and Complaint. I did not enclose an Appearance form because I assume Crowe will be appearing through counsel.

Please let me know if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Rood".

Assistant General Counsel
Vermont Department of Fin. Regulation
Jennifer.rood@vermont.gov



STATE OF VERMONT

SUPERIOR COURT

Civil

DIVISION

Washington

Unit

Docket No.: 21-cv-03350

| | | |
|--|-----|---|
| <i>Plaintiff(s)</i> Pieicak, Liquidator, Global Hawk | VS. | <i>Defendant(s)</i> Crowe LLP |
|--|-----|---|

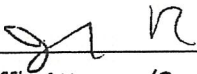
SUMMONS

THIS SUMMONS IS DIRECTED TO Crowe LLP

- YOU ARE BEING SUED.** The Plaintiff has started a lawsuit against you. The Plaintiff's Complaint against you is attached to this summons. Do not throw these papers away. They are official papers that affect your rights.
- YOU MUST REPLY WITHIN 21* DAYS TO PROTECT YOUR RIGHTS.** You must give or mail the Plaintiff a **written response** called an Answer within 21* days of the date on which you received this Summons. You must send a copy of your Answer to the [Plaintiff][Plaintiff's attorney] located at: Jennifer Rood, Assistant General Counsel, Vermont Dept of Fin. Regulation
89 Main Street, Thrid Floor, Montpelier, VT 05620

You must also give or mail your Answer to the Court located at:
Vermont Supeior Court, Washington Unit
65 State Street, Montpelier, VT 05602
- YOU MUST RESPOND TO EACH CLAIM.** The Answer is your written response to the Plaintiff's Complaint. In your Answer you must state whether you agree or disagree with each paragraph of the Complaint. If you believe the Plaintiff should not be given everything asked for in the Complaint, you must say so in your Answer.
- YOU WILL LOSE YOUR CASE IF YOU DO NOT GIVE YOUR WRITTEN ANSWER TO THE COURT.** If you do not Answer within 21* days and file it with the Court, you will lose this case. You will not get to tell your side of the story, and the Court may decide against you and award the Plaintiff everything asked for in the complaint.
- YOU MUST MAKE ANY CLAIMS AGAINST THE PLAINTIFF IN YOUR REPLY.** Your Answer must state any related legal claims you have against the Plaintiff. Your claims against the Plaintiff are called Counterclaims. If you do not make your Counterclaims in writing in your Answer, you may not be able to bring them up at all. Even if you have insurance and the insurance company will defend you, you must still file any Counterclaims you may have.
- LEGAL ASSISTANCE.** You may wish to get legal help from a lawyer. If you cannot afford a lawyer, you should ask the court clerk for information about places where you can get free legal help. **Even if you cannot get legal help, you must still give the Court a written Answer to protect your rights or you may lose the case.**

7. NOTICE OF APPEARANCE FORM. THE COURT NEEDS TO KNOW HOW TO REACH YOU SO THAT YOU WILL BE INFORMED OF ALL MATTERS RELATING TO YOUR CASE. If you have not hired an attorney and are representing yourself, in addition to filing the required answer it is important that you file the Notice of Appearance form attached to this summons, to give the court your name, mailing address and phone number (and email address, if you have one). You must also mail or deliver a copy of the form to the lawyer or party who sent you this paperwork, so that you will receive copies of anything else they file with the court.



Plaintiff's Attorney/Court Clerk

5 November 2021

Dated

Served on _____
Date

Sheriff

* Use 21 days, except that in the exceptional situations where a different time is allowed by the court in which to answer, the different time should be inserted.

STATE OF VERMONT

SUPERIOR COURT
WASHINGTON UNIT

CIVIL DIVISION
DOCKET NO. _____

)
MICHAEL S. PIECIAK, in his official capacity)
as COMMISSIONER OF THE VERMONT)
DEPARTMENT OF FINANCIAL REGULATION,)
solely as LIQUIDATOR of GLOBAL HAWK)
INSURANCE COMPANY RISK RETENTION)
GROUP,)
)
Plaintiff,)
)
v.)
)
CROWE LLP)
)
Defendant.)

COMPLAINT

This is an action by plaintiff, the Commissioner of the Vermont Department of Financial Regulation, solely in his capacity as Liquidator of Global Hawk Insurance Company Risk Retention Group, to recover damages for breach of the duty of professional care by the defendant, Crowe LLP, in issuing audit opinions on financial statements that materially misstated the financial position of Global Hawk Insurance Company Risk Retention Group and did not disclose that it was insolvent.

Parties

1. Plaintiff Michael S. Pieciak is the duly appointed Commissioner (“Commissioner”) of the Vermont Department of Financial Regulation (“Department”), and in that capacity was appointed the Liquidator (“Liquidator”) of Global Hawk Insurance Company

Risk Retention Group (“Global Hawk”) pursuant to the Order of Liquidation entered June 8, 2020 by the Vermont Superior Court, Washington Unit (“Court”) in Docket No. 196-5-20 Wncv. He brings this action solely in his capacity as Liquidator of Global Hawk. The Liquidator has a business address of Vermont Department of Financial Regulation, 89 Main Street, Montpelier, Vermont 05620.

2. Pursuant to Paragraph 2 of the Order of Liquidation and 8 V.S.A. § 7057(a), the Liquidator is authorized to take possession of the assets of Global Hawk wherever located. Pursuant to Paragraph 3 of the Order of Liquidation and 8 V.S.A. § 7057(a), the Liquidator is vested by operation of law with the title to all the property, contracts and rights of action of Global Hawk. Pursuant to Paragraph 5(a)(vii) and (xiii) of the Order of Liquidation and 8 V.S.A. § 7060, the Liquidator is authorized to institute actions to collect moneys due and claims belonging to Global Hawk and to pursue creditor’s remedies to enforce his claims. Pursuant to Paragraph 5(a)(xiv) of the Liquidation Order and 8 V.S.A. § 7060, the Liquidator is authorized to prosecute any action on behalf of the creditors, members, policyholders or shareholders of Global Hawk against any officer of Global Hawk or any other person.

3. Global Hawk is a nonstock mutual insurance company organized and existing under the laws of the State of Vermont with its statutory office and main administrative office at 26 Cornerstone Road, P.O. Box 137, Fairfax, Vermont 05454. Global Hawk was originally formed as a risk retention group in South Carolina in 2003. Global Hawk re-domesticated to Vermont in 2009. As a Vermont-domiciled insurance company and risk retention group, Global Hawk is subject to regulation by the Department. *See* 8 V.S.A. § 6050 *et seq.* Global Hawk was declared to be insolvent and placed in liquidation by the Order of Liquidation entered by the

Court on June 8, 2020 in Docket No. 196-5-20 Wncv. At all relevant times prior to May 2020, Global Hawk had three independent directors.

4. Crowe LLP, formerly known as Crowe Horwath LLP (“Crowe”), is an Indiana limited liability partnership with its headquarters in Chicago, Illinois. It is a public accounting, consulting and technology firm with offices around the world that, among other things, provides audit services to public and private entities. Crowe is licensed as an accounting firm by the Vermont Office of Professional Regulation, License Number 092.0000687. At all relevant times prior to May 2020, Crowe had offices at 175 Powder Forest Drive, Suite 301, Simsbury, Connecticut 06089 and 40 Main Street, Suite 300, Burlington, Vermont 05401.

Jurisdiction and Venue

5. The Court has jurisdiction over the defendant pursuant to 8 V.S.A. § 7032(c)(1) because the defendant is a person who acted on behalf of a Vermont domestic insurer against which a delinquency proceeding has been instituted and this action results from or is incident to its relationship with the insurer. The defendant acted as auditor for Global Hawk, now subject to a liquidation proceeding, and this action results from its role as auditor.

6. Venue is proper in this Court pursuant to 8 V.S.A. § 7032(e).

Factual Allegations

Crowe’s Auditor’s Opinions and Letters of Qualification

7. Global Hawk engaged Crowe to audit Global Hawk’s financial statements for the year ending December 31, 2016 (the “2016 Audit”) by an engagement letter dated August 23, 2016.

8. Global Hawk engaged Crowe to audit Global Hawk's financial statements for the year ending December 31, 2017 (the "2017 Audit") by an engagement letter dated January 18, 2018.

9. Global Hawk engaged Crowe to audit Global Hawk's financial statements for the year ending December 31, 2018 (the "2018 Audit") by an engagement letter dated December 12, 2018.

10. Crowe issued an Independent Auditor's Report on Global Hawk's financial statements as of December 31, 2016 dated June 30, 2017 (the "2016 Auditor's Report").

11. Crowe issued an Independent Auditor's Report on Global Hawk's financial statements as of December 31, 2017 dated June 29, 2018 (the "2017 Auditor's Report").

12. Crowe issued an Independent Auditor's Report on Global Hawk's financial statements as of December 31, 2018 dated June 28, 2019 (the "2018 Auditor's Report"). The 2016 Auditor's Report, the 2017 Auditor's Report and the 2018 Auditor's Report are referred to herein as the "Auditor's Reports".

13. The 2016, 2017 and 2018 Auditor's Reports each stated that: "We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion."

14. The Auditor's Reports each qualified Crowe's audit opinion in a "Basis for Qualified Opinion" paragraph. That paragraph noted that the treatment of surplus notes under accounting principles permitted by the Department ("statutory accounting") differs from the treatment under accounting principles generally accepted in the United States of America ("U.S. GAAP"). This qualification concerning the treatment of surplus notes has no bearing on the financial statements' report of capital contributions to or cash held by Global Hawk.

15. In each of the Auditor's Reports, Crowe opined that – subject to the qualification concerning the treatment of surplus notes – the financial statements of Global Hawk attached to the Auditor's Report (the "Audited Financial Statements") present fairly, in all material respects, the financial position of Global Hawk.

16. In the 2016 Auditor's Report, Crowe opined as follows:

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Global Hawk Insurance Company Risk Retention Group as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

17. In the 2017 Auditor's Report, Crowe opined as follows:

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Global Hawk Insurance Company Risk Retention Group as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

18. In the 2018 Auditor's Report, Crowe opined as follows:

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Global Hawk Insurance Company Risk Retention Group as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

19. Each of the 2016, 2017 and 2018 Auditor's Reports was accompanied by a Letter of Qualifications from Crowe to the Board of Directors of Global Hawk. Each Letter of Qualifications stated that Crowe understood that Global Hawk intended to file the audited financial statements with the Vermont Department of Financial Regulation, that the Vermont Insurance Commissioner "will be relying on that information in monitoring and regulating the financial condition of the Company," that the engagement partner was licensed with CPA

mobility “allowing for the signing of our opinion in the State of Vermont,” and that the letter was intended “for the information and use . . . of the Vermont Department of Financial Regulation.”

20. In the 2016 Letter of Qualifications dated June 30, 2017, Crowe stated:

We understand that the Company intends to file its audited financial statement and our report thereon with the Vermont Department of Financial Regulation and other state insurance departments in which the Company is licensed and that the Insurance Commissioner will be relying on that information in monitoring and regulating the financial condition of the Company.

* * *

[U]nder auditing standards generally accepted in the United States of America, we have the responsibility, within the inherent limitations of the auditing process, to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud, and to exercise due professional care in the conduct of the audit.

21. In the 2017 Letter of Qualifications dated June 29, 2018, Crowe stated:

We understand that the Company intends to file its audited financial statement and our report thereon with the Vermont Department of Financial Regulation and that the Insurance Commissioner will be relying on that information in monitoring and regulating the financial condition of the Company.

* * *

[U]nder auditing standards generally accepted in the United States of America, we have the responsibility, within the inherent limitations of the auditing process, to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud, and to exercise due professional care in the conduct of the audit.

22. In the 2018 Letter of Qualifications dated June 30, 2019, Crowe stated:

We understand that the Company intends to file its audited financial statement and our report thereon with the Vermont Department of Financial Regulation in which the Company is licensed and that the Insurance Commissioner will be relying on that information in monitoring and regulating the financial condition of the Company.

* * *

[U]nder auditing standards generally accepted in the United States of America, we have the responsibility, within the inherent limitations of the auditing process, to plan and

perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud, and to exercise due professional care in the conduct of the audit.

The Material Misstatements of Global Hawk's Financial Position

23. The Audited Financial Statements for 2016, 2017 and 2018 each materially misstated the financial position of Global Hawk by representing Global Hawk was solvent when in fact it was insolvent. The Audited Financial Statements for 2016, 2017 and 2018 each materially misstated Global Hawk's assets by falsely reporting capital contributions as received, when the contributions had not been made. In addition, the Audited Financial Statements for each year materially misstated Global Hawk's liabilities and assets by omitting loan liabilities and pledges of Global Hawk's assets. The Audited Financial Statements for 2017 and 2018 also materially misstated Global Hawk's assets by overstating cash balances.

24. The 2016 Audited Financial Statements reported increases in surplus due to capital contributions provided by Global Hawk's founding member (a corporation owned by the individual who was Global Hawk's President and Treasurer) during calendar year 2016 that totaled \$13,100,000. The 2016 Audited Financial Statements reported that capital contributions relating to \$3,500,000 of this increase were received in 2016 and that "\$9,600,000 . . . was recorded as capital contribution receivable on the balance sheet and was issued and collected after year end." Bank records obtained by the Liquidator show that Global Hawk actually received only \$3,000,660 of the reported capital contribution receivable, and the 2016 Audited Financial Statements overstated capital contributions by almost \$6.6 million.

25. The 2017 Audited Financial Statements reported increases in surplus due to capital contributions provided by Global Hawk's founding member during calendar year 2017 that totaled \$8,500,000. The 2017 Audited Financial Statements reported that proceeds relating

to \$4,000,000 of this increase were received in 2017 and that “\$4,500,000 . . . was recorded as capital contribution receivable on the balance sheet and was issued and collected after year end.” Bank records obtained by the Liquidator show that Global Hawk actually received only \$400 of the capital contributions reported as “received” and \$450 of the capital contributions reported as “receivable,” such that the 2017 Audited Financial Statements overstated capital contributions by almost \$8.5 million.

26. The 2018 Audited Financial-Statements reported increases in surplus due to capital contributions provided by Global Hawk’s founding member during calendar year 2018 that totaled \$5,000,000. The 2018 Audited Financial Statements reported that capital contributions of \$5,000,000 were received in 2018. Bank records obtained by the Liquidator show that Global Hawk actually received only \$500 of these contributions, and the 2018 Audited Financial Statements overstated capital contributions by almost \$5 million.

27. The 2016 Audited Financial Statements did not disclose any outstanding loan obligations or pledges of assets. Records obtained by the Liquidator from Stifel show that, in 2016, Global Hawk Property and Casualty Insurance Company (“GHP&C”) and Global Hawk obtained a Stifel Pledged Asset (“SPA”) loan account, SPA Account No. ***1745, from Stifel Bank and Trust in 2016. Global Hawk pledged its Stifel Nicolaus & Company (“Stifel”) brokerage account ***-0101 assets as collateral for the SPA loan. The original loan amount approved by Stifel Bank and Trust on August 23, 2016, was \$6,400,000, which was increased to \$14,000,000 on December 21, 2016. The outstanding balance drawn on the SPA loan as of December 31, 2016 was \$11,391,178. The 2016 Audited Financial Statements did not disclose this liability, nor did they disclose that Global Hawk assets were pledged as collateral for it.

28. The 2017 Audited Financial Statements do not disclose any outstanding loan obligations or pledges of assets. Records obtained by the Liquidator from Stifel show that, in 2017, the SPA loan ***1745 was paid off with the proceeds of a new SPA loan, SPA Account No. ***7833, with Stifel Bank and Trust. The collateral pledged for the new SPA loan account included Global Hawk's Stifel account ***-0101. The outstanding SPA loan balance as of December 31, 2017 was \$13,986,929. The 2017 Audited Financial Statements did not disclose this liability, nor did they disclose that Global Hawk assets were pledged as collateral for it.

29. The 2018 Audited Financial Statements do not disclose any outstanding loan obligations or pledges of assets. Records obtained by the Liquidator from Stifel show that the outstanding loan balance on SPA loan ***7833 on December 31, 2018 was \$14,322,407. The 2018 Audited Financial Statements did not disclose this liability, nor did they disclose that Global Hawk assets were pledged as collateral for it. The SPA loan ***7833 was ultimately repaid with Global Hawk funds.

30. The 2017 Audited Financial Statements reported that Global Hawk had cash in the amount of \$34,778,787 at December 31, 2017. This included \$28,009,782 in cash reported by Global Hawk's investment adviser Quantbridge Capital LLC ("Quantbridge") as held in Stifel accounts ***0101 and ***2396. Account statements obtained by the Liquidator from Stifel show that Stifel actually held cash of \$9,785,336 in the two Stifel accounts at December 31, 2017. The 2017 Audited Financial Statements overstated cash by over \$18 million.

31. The 2018 Audited Financial Statements reported that Global Hawk had cash in the amount of \$43,502,719 at December 31, 2018. This included \$44,920,066 reported by Quantbridge as held by Stifel in accounts ***0101 and ***2396. Account statements obtained by the Liquidator from Stifel show that Stifel actually held cash of \$11,097,369 in the two Stifel

accounts at December 31, 2018. The 2018 Audited Financial Statements overstated cash by over \$33 million.

Crowe's Breaches of Its Duty of Care

32. As auditor for Global Hawk, Crowe had a duty to conduct its audit and issue its auditor's reports with due professional care. Crowe had a duty to identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement and relevant assertion levels. Crowe had a duty to obtain sufficient and appropriate audit evidence regarding the assessed risks of material misstatement by designing and implementing appropriate responses to those risks, including appropriate external confirmations. In using external confirmation procedures, Crowe had a duty to select an appropriate confirming party and to ask appropriate questions. Crowe then had a duty to evaluate confirmations received to assess their reliability and, where they were unreliable, to obtain additional confirmations.

33. In its audits of Global Hawk for the years 2016, 2017 and 2018, Crowe breached its obligation to audit and issue its audit opinions with due professional care. Among other things, Crowe failed to confirm reported capital contributions with the banks that allegedly received the deposits and reported cash held by Stifel with Stifel itself. Although Crowe recognized that external confirmation of material assets was necessary, it did not confirm receipt of capital contributions with the banks that purportedly received the deposits, but instead accepted copies of bank statements or other documents provided by Global Hawk. It confirmed the cash and other asset amounts purportedly held by Stifel with Quantbridge, an investment advisor, instead of with Stifel, the custodian of the assets so identified by Quantbridge in its investment statement, and it failed to ask appropriate confirmation questions that would have identified undisclosed loans and pledges of assets.

34. Global Hawk was designated a high priority company by the Department in early 2017. In auditing and issuing its audit reports regarding Global Hawk for 2016, 2017 and 2018, Crowe was aware of the heightened level of regulatory concern over Global Hawk.

A. 2016 Audit

35. Crowe was negligent in issuing its 2016 Audit Report. It failed to properly request confirmation of the cash and invested assets held at Stifel. It also failed to appropriately confirm receipt of \$6,600,000 of capital contributions.

36. Crowe was negligent in confirming cash and invested assets. Crowe recognized the need to seek appropriate external confirmation of the cash and invested assets reported in the 2016 financial statements. Crowe did not seek confirmation of these balances from Stifel but instead requested confirmation of the Stifel assets from Quantbridge. Crowe's confirmation request was limited to asking for brokerage statements. Crowe did not use the standard form financial institution confirmation request that asked about restrictions on balances and the existence of loans, even though Crowe used that form in seeking confirmation from Global Hawk's banks as part of the same audit.

37. Crowe had a duty to select the appropriate confirming party for external confirmation. It failed to do so. Quantbridge was not the appropriate confirming party with respect to assets held by Stifel. The custodian of the assets, not another third party, is the appropriate confirming party. Crowe knew or reasonably should have known that Quantbridge was an investment adviser, not the custodian of the assets, and that Stifel was the custodian.

38. Crowe had a duty to evaluate whether the results of the external confirmation request provided reliable audit evidence. It failed to do so. Among other things, the Quantbridge statement provided by Quantbridge in response to the confirmation request stated

that Quantbridge was not the custodian. The statement identified “QUANTBRIDGE CAPITAL AS INVESTMENT ADVISOR.” It included the following “Disclosures”:

Quantbridge Capital does not custody [*sic*] the assets. It is acting as investment manager to direct trades in the account as required in accordance with the risk/return profile of the client.

Stifel Nicolaus is acting as Broker & Custodian of the assets. The team at Stifel Nicolaus, acting as broker is located in 375 Woodcliff Dr. #103, Fairport, NY 14450.

Further, Quantbridge provided a statement from Interactive Brokers, the custodian for a small part of the assets managed by Quantbridge, but only provided a statement from Quantbridge itself reporting the larger assets held by Stifel.

39. Crowe had a duty to properly determine the information to be confirmed. It failed to do so. The confirmation request sought “a copy of our December 31, 2016 Brokerage Account Statement.” It did not ask about withdrawal restrictions or other accounts.

40. In seeking confirmation of cash account balances at various Global Hawk banks during the audit, Crowe used the “Standard Form to Confirm Account Balance Information with Financial Institutions.” That form asked about withdrawal restrictions on the account and also asked for information about any other deposit and loan accounts Global Hawk had at the financial institution.

41. If Crowe had properly designed its confirmation request for Global Hawk’s Stifel account ***-0101 and sent it to the appropriate party, Stifel should have disclosed that Global Hawk had a loan account ***1745 at Stifel, that the Global Hawk assets in account ***-0101 had been pledged as collateral for the loan, and that the outstanding balance on the loan was \$11,391,178 at December 31, 2016. This information would have required Crowe to perform additional audit procedures and to revisit its assessment of management integrity and implications for its overall audit plan.

42. The 2016 Audited Financial Statements reported total members' equity (surplus) of \$4,221,762 at December 31, 2016. Inclusion of even part of the \$11,391,178 undisclosed loan liability in or removing the pledged assets from Global Hawk's 2016 balance sheet would have demonstrated Global Hawk's insolvency.

43. Crowe was negligent in auditing reported capital contributions totaling \$6,600,000. These contributions were reported as part of a capital contribution "collected" after year end in the 2016 Audited Financial Statements, when in fact those payments were not received. Crowe had a duty to obtain sufficient and appropriate audit evidence of the capital contributions. It failed to do so.

44. The 2016 balance sheet included in assets a capital contribution receivable of \$9,600,000. As stated in note 6 of the 2016 Audited Financial Statements, "[a]s of December 31, 2016, \$9,600,000 was recorded as a capital contribution receivable on the balance sheet and was issued and collected after year end." This reflected an increase in the amount of the surplus note requested by Global Hawk to offset the effect of Crowe's audit adjustment writing down a \$6,000,000 reported deferred tax asset to \$0.

45. Crowe knew that the capital contributions were necessary to maintain the required level of capital in Global Hawk. Crowe knew that the capital contributions were to be made by American Freight Forwarders & Transportation, Inc. ("AFF"), Global Hawk's founding member and a company controlled by a Director and Officer of Global Hawk (Jasbir Thandi). Crowe recognized the need to audit these capital contributions to see that they had in fact been made, but it failed to obtain sufficient and appropriate audit evidence that they had been collected as reported in the Audited Financial Statements.

46. Crowe identified that the \$9,600,000 capital contributions were supposedly collected in three payments: \$3,000,000 on March 1, 2017, \$3,000,000 on May 26, 2017 and \$3,600,000 on June 22, 2017. The Crowe 2016 audit workpapers state that the auditors “traced the deposits of additional capital contributed subsequent to year end to the bank statements” and that “[i]n total, \$9.6 million of capital was contributed subsequent to year end.” Crowe in fact did not obtain bank statements from Mechanics Bank for the two later alleged capital contributions. Crowe’s work papers include copies of a bank statement for the March 1, 2017 deposit. They do not include bank statements covering the asserted \$3,000,000 deposit on May 26, 2017 and \$3,600,000 deposit on June 22, 2017. Crowe tested the May 26 and June 22 contributions by obtaining and reviewing copies of the front side only of checks allegedly drawn on Mr. Thandi’s personal Wells Fargo bank account and deposit slips for Global Hawk’s Mechanics Bank account. These documents were provided to Crowe by Global Hawk.

47. If Crowe had obtained sufficient, appropriate audit evidence regarding the two capital contributions from the bank, it would have found that the alleged checks and deposit slips were fraudulent and that the contributions were not made. The actual Mechanics Bank statements for May and June 2017 obtained by the Liquidator show a deposit of \$300 (not \$3,000,000) on May 26, 2017 and \$360 (not \$3,600,000) on June 22, 2017. Removing the capital contributions from Global Hawk’s balance sheet would have revealed that it was insolvent.

B. 2017 Audit

48. Crowe was negligent in issuing its 2017 Audit Report. Crowe recognized the need to seek external confirmation of the assets reported in the 2017 financial statements. Crowe failed to properly obtain confirmation of cash and investment balances reportedly held at Stifel

from the appropriate party, Stifel. It also failed to properly inquire about undisclosed liabilities and restrictions on the assets, and failed to properly confirm reported capital contributions.

49. Crowe was negligent in confirming cash and invested assets. Crowe recognized the need to seek appropriate external confirmation of the cash and invested assets reported in the 2017 financial statements. Crowe did not seek confirmation of these balances from Stifel but instead requested confirmation of the Stifel assets from Quantbridge. Crowe's confirmation request was limited to asking for brokerage statements. Crowe did not use the standard form confirmation request that asked about restrictions on balances and the existence of loans, even though Crowe used that form in seeking confirmation from Global Hawk's banks as part of the same audit.

50. Crowe had a duty to select the appropriate confirming party for external confirmation. It failed to do so. Quantbridge was not the appropriate confirming party with respect to assets held by Stifel. The custodian of the assets, not another third party, is the appropriate confirming party. Crowe knew or reasonably should have known that Quantbridge was an investment adviser, not the custodian of the assets, and that Stifel was the custodian.

51. Crowe had a duty to evaluate whether the results of the external confirmation request provided reliable audit evidence. It failed to do so. Crowe should have questioned the suitability of the Quantbridge statement as confirmation of cash and investment balances. Among other things, the Quantbridge statement provided by Quantbridge in response to the confirmation request stated that Quantbridge was not the custodian. Global Hawk's assets were concentrated at Stifel, and the amounts stated to be held by Stifel constituted the single largest asset of Global Hawk. Quantbridge provided a statement from Interactive Brokers, the custodian for a small part of the assets managed by Quantbridge, but only provided a statement from

Quantbridge itself reporting the much larger assets held by Stifel. The Quantbridge statement was received by fax from the 415 area code (San Francisco, Marin, and San Mateo counties), even though Quantbridge's office was located in New York.

52. If Crowe had sought confirmation of the amounts from Stifel, it should have learned that the financial statements overstated Global Hawk's assets by \$18,224,447 (putting aside a year end adjustment), such that Global Hawk was insolvent.

53. Crowe had a duty to properly determine the information to be confirmed. It failed to do so. The confirmation request sought "a copy of our December 31, 2017 Brokerage Account Statement." It did not ask about withdrawal restrictions or other accounts. Crowe did not use the standard form confirmation request that asked about restrictions on balances and the existence of loans, even though Crowe used that standard form in seeking confirmation from banks as part of the same audit.

54. If Crowe had asked the standard financial institution questions of the proper party, Stifel should have disclosed that in March 2017, Stifel SPA loan ***1745 was paid off and refinanced by a new SPA loan, ***7833; that the collateral pledged for SPA loan ***7833 included Global Hawk's Stifel account ***-0101; and that the December 31, 2017 balance for SPA loan ***7833 was \$13,986,929. Bringing even part of this undisclosed liability or pledge of assets into Global Hawk's balance sheet would have resulted in Global Hawk reporting its insolvency.

55. Crowe was negligent in auditing reported capital contributions. Crowe breached its duty of care by relying on copies of bank statements provided to it by Global Hawk to verify capital contributions made by AFF, an entity owned and operated by Global Hawk's President and Treasurer. During its audit, Crowe was aware of Global Hawk's significant losses and going

concern issues. Crowe identified asserted capital contributions totaling \$8,500,000, consisting of \$1,000,000 deposited with Mechanics Bank on August 14, 2017, \$3,000,000 on November 30, 2017, \$2,000,000 on January 3, 2018, and \$2,500,000 on February 28, 2018.

56. The Crowe workpapers indicate that Crowe confirmed the purported contributions based on copies of Mechanics Bank statements that Crowe obtained from Global Hawk. This was not sufficient appropriate audit evidence. Copies of bank statements provided by Global Hawk are not sufficient or reliable confirmation of capital contributions reported by Global Hawk and reportedly made by an affiliated entity.

57. If Crowe had sought confirmation of the capital contributions directly from Mechanics Bank, it would have learned that the Mechanics Bank statements provided by Global Hawk were false and materially misrepresented the capital contributions. Based on statements obtained from Mechanics Bank by the Liquidator, the actual amounts deposited were \$100 (not \$1,000,000) on August 14, 2017, \$300 (not \$3,000,000) on November 30, 2017, \$200 (not \$2,000,000) on January 3, 2018, and \$250 (not \$2,500,000) on February 28, 2018.

58. If the purported \$8,500,000 in capital contributions was removed from Global Hawk's balance sheet, the financial statements would have shown Global Hawk was insolvent on December 31, 2017.

C. 2018 Audit

59. Crowe was negligent in issuing its 2018 Audit Report. In conducting the 2018 Audit, Crowe recognized the need to seek external confirmation of the cash and invested assets reported in the 2018 financial statements. However, Crowe requested confirmation of cash and investment balances from Quantbridge, not Stifel, did not ask appropriate confirmation requests,

and did not appropriately evaluate the statement provided by Quantbridge concerning Global Hawk's largest reported asset.

60. Crowe was negligent in confirming cash and invested assets. Crowe recognized the need to seek appropriate external confirmation of the cash and invested assets reported in the 2018 financial statements. Crowe did not seek confirmation of these balances from Stifel but instead requested confirmation of the Stifel assets from Quantbridge. Crowe's confirmation request was limited to asking for brokerage statements. Crowe did not use the standard form confirmation request that asked about restrictions on balances and the existence of loans, even though Crowe used that form in seeking confirmation from Global Hawk's banks as part of the same audit.

61. Crowe had a duty to select the appropriate confirming party for external confirmation. It failed to do so. Quantbridge was not the appropriate confirming party with respect to assets held by Stifel. The custodian of the assets, not another third party, is the appropriate confirming party. Crowe knew or reasonably should have known that Quantbridge was an investment adviser, not the custodian of the assets, and that Stifel was the custodian.

62. Crowe had a duty to evaluate whether the results of the external confirmation request provided reliable audit evidence. It failed to do so. Crowe should have questioned the suitability of the Quantbridge statement as confirmation of cash and investment balances. There were again "red flags" that should have caused Crowe to question the suitability of the Quantbridge statement as confirmation of cash and investment balances. Among other things, Global Hawk's assets were concentrated at Stifel; the asset confirmations received by Crowe from Global Hawk's investment advisers were not consistent (Quantbridge provided a statement from one custodian, Interactive Brokers, but only the Quantbridge statement for assets held by

Stifel); and the Quantbridge confirmation was received by fax from a number in the 916 area code (Sacramento and surrounding areas) when Quantbridge's office was in New York.

63. If Crowe had sought confirmation of the amounts from Stifel, it would have learned that the Quantbridge statements were false and overstated Global Hawk's assets by \$33,822,697 and that Global Hawk's reported assets were overstated by \$33,822,697 such that the company was insolvent.

64. Crowe's confirmation request was limited to asking for brokerage statements. Crowe did not use the standard form confirmation request that asked about restrictions on balances and the existence of loans, even though Crowe used that standard form in seeking confirmation from banks as part of the same audit.

65. If Crowe had asked the standard financial institution questions, Stifel should have disclosed the Stifel SPA loan account ***7833; that the collateral pledged for SPA loan ***7833 included Global Hawk's Stifel account ***-0101; and that the December 31, 2018 balance for SPA loan ***7833 was \$14,322,407. Bringing the undisclosed liability and pledge of assets into Global Hawk's balance sheet would have resulted in Global Hawk reporting insolvency.

66. Crowe was negligent in auditing reported capital contributions. Crowe breached its duty of care in confirming capital contributions assertedly made by AFF, an entity owned and operated by Global Hawk's President and Treasurer. Crowe identified asserted capital contributions totaling \$5,000,000 consisting of \$2,500,000 deposited with Mechanics Bank on February 28, 2018 and \$2,500,000 on May 15, 2018. Crowe's 2018 audit workpapers state that it traced the two transactions through bank statements, but the workpapers do not include copies of the bank statements. If Crowe confirmed the contributions based on Mechanics Bank statements, they were copies of statements provided by Global Hawk. Copies of bank statements

provided by Global Hawk are not sufficient or reliable confirmation of capital contributions reported by Global Hawk and reportedly made by an affiliated entity. Crowe failed to obtain sufficient and appropriate audit evidence of the capital contributions.

67. If Crowe had sought confirmation of the capital contributions directly from Mechanics Bank, it should have learned that the bank statements provided by Global Hawk were false and materially misrepresented the capital contributions. As reflected in statements obtained from Mechanics Bank by the Liquidator, the actual amounts deposited were \$250 (not \$2,500,000) on February 28, 2018 and \$250 (not \$2,500,000) on May 15, 2018.

68. If these false capital contributions had been identified, Global Hawk's balance sheet would have reflected statutory insolvency as Global Hawk's surplus would have been below the \$1,000,000 minimum. *See* 8 V.S.A. § 6004(a)(4).

The Liquidator's Damages

69. The independent members of Global Hawk's Board of Directors relied upon Global Hawk's audited financial statements in monitoring the financial condition of Global Hawk. The Department relied on Global Hawk's audited financial statements in its monitoring and regulatory review of Global Hawk's financial condition. If Crowe had not breached its duty of care, the material misstatements in Global Hawk's financial statements would have been identified and made known, and the Department would have been alerted to Global Hawk's insolvency. The Department would have taken regulatory action that would have prevented Global Hawk from continuing to write new and renewal insurance policies. Global Hawk would have avoided incurring operating losses as well as subsequent misappropriations.

70. As set forth in its Letters of Qualification, Crowe understood that the Department would rely on the Auditor's Reports, including the Audited Financial Statements, in regulating Global Hawk.

71. The Department relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2016, 2017 and 2018 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the independent members of Global Hawk's Board of Directors or the Department in 2017, 2018 or 2019 that Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

72. On May 15, 2020, shortly after the Department became aware that Global Hawk's assets were materially overstated, such that the company was insolvent, the Commissioner filed an *ex parte* Petition for Seizure Order with the Court. The Court entered an order (the "Seizure Order") on May 20, 2020. The Seizure Order enjoined the further transaction of business by Global Hawk without the prior written consent of the Commissioner or his designee. The Commissioner subsequently filed an Assented-to Petition for Order of Liquidation for Global Hawk with the Court on June 5, 2020. The Court issued the Order of Liquidation for Global Hawk on June 8, 2020.

73. The 2016 Audited Financial Statements reported that Global Hawk was solvent. Considering the undisclosed liability, pledge of assets, and the uncollected capital contributions described above, Global Hawk was insolvent on December 31, 2016.

74. The 2017 Audited Financial Statements reported that Global Hawk was solvent. Considering the undisclosed liability, pledge of assets, uncollected capital contribution, and

overstated cash as described above, Global Hawk was insolvent on December 31, 2017. The insolvency was deeper than on December 31, 2016.

75. The 2018 Audited Financial Statements reported that Global Hawk was solvent. Considering the undisclosed liability, pledge of assets, uncollected capital contribution, and overstated cash as described above, Global Hawk was insolvent on December 31, 2018. The insolvency was deeper than on December 31, 2017.

76. Global Hawk was insolvent by an even greater amount on December 31, 2019.

77. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements harmed Global Hawk by allowing it to incur operating losses and suffer misappropriations and allowing its insolvency to increase. The deepened insolvency harmed Global Hawk. It also harmed Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims in the liquidation.

CLAIMS

COUNT I – 2016 AUDIT REPORT– NEGLIGENCE

78. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

79. As auditor for Global Hawk, Crowe had a duty to conduct its 2016 audit and issue its audit opinion with due professional care, including a duty to obtain sufficient relevant evidence to afford a reasonable basis for its conclusions.

80. Crowe breached its duty of care in issuing its 2016 Audit Report opining that the Audited Financial Statements for the year 2016 fairly presented Global Hawk's financial position. The 2016 Audited Financial Statements materially misstated Global Hawk's assets and did not fairly present Global Hawk's financial position. Global Hawk was insolvent.

81. The Department relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2016 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the Department in 2017 that Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

82. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements damaged Global Hawk by allowing it to incur operating losses and suffer misappropriations and allowing its insolvency to increase. The deepened insolvency damaged Global Hawk. It also damaged Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims.

COUNT II – 2017 AUDIT REPORT– NEGLIGENCE

83. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

84. As auditor for Global Hawk, Crowe had a duty to conduct its 2017 audit and issue its audit opinion with due professional care, including a duty to obtain sufficient relevant evidence to afford a reasonable basis for its conclusions.

85. Crowe breached its duty of care in issuing its audit opinion that the Audited Financial Statements for the year 2017 fairly presented Global Hawk's financial position. The 2017 Audited Financial Statements materially misstated Global Hawk's assets and did not fairly present Global Hawk's financial position. Global Hawk was insolvent.

86. The Department relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2017 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the Department in 2018 that Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

87. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements damaged Global Hawk by allowing it to incur operating losses and suffer misappropriations and allowing its insolvency to increase. The deepened insolvency damaged Global Hawk. It also damaged Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims.

COUNT III – 2018 AUDIT REPORT – NEGLIGENCE

88. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

89. As auditor for Global Hawk, Crowe had a duty to conduct its 2018 audit and issue its audit opinion with due professional care, including a duty to obtain sufficient relevant evidence to afford a reasonable basis for its conclusions.

90. Crowe breached its duty of care in issuing its audit opinion that the Audited Financial Statements for the year 2018 fairly presented Global Hawk's financial position. The 2018 Audited Financial Statements materially misstated Global Hawk's assets and did not fairly present Global Hawk's financial position. Global Hawk was insolvent.

91. The Department relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2018 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the Department in 2019 that Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

92. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements damaged Global Hawk by allowing it to incur operating losses and suffer misappropriations and allowing its insolvency to increase. The deepened insolvency

damaged Global Hawk. It also damaged Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims.

COUNT IV – 2016 AUDIT REPORT– NEGLIGENT MISREPRESENTATION

93. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

94. As auditor for Global Hawk, Crowe had a duty to conduct its 2016 audit and issue its audit opinion with due professional care, including a duty to obtain sufficient relevant evidence to afford a reasonable basis for its conclusions.

95. Crowe breached its duty of care in issuing its 2016 Audit Report opining that the Audited Financial Statements for the year 2016 fairly presented Global Hawk's financial position. The 2016 Audited Financial Statements materially misstated Global Hawk's assets and did not fairly present Global Hawk's financial position. Global Hawk was insolvent.

96. Crowe knew that the Department would rely on representations made in the 2016 Auditor's Report.

97. In issuing its 2016 Audit Report, Crowe negligently supplied false information for the guidance of others.

98. The Department reasonably relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2016 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the Department in 2017 that Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

99. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements damaged Global Hawk by allowing it to incur operating losses and

suffer misappropriations and allowing its insolvency to increase. The deepened insolvency damaged Global Hawk. It also damaged Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims.

COUNT V – 2017 AUDIT REPORT – NEGLIGENT MISREPRESENTATION

100. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

101. As auditor for Global Hawk, Crowe had a duty to conduct its 2017 audit and issue its audit opinion with due professional care, including a duty to obtain sufficient relevant evidence to afford a reasonable basis for its conclusions.

102. Crowe breached its duty of care in issuing its 2017 Audit Report opining that the Audited Financial Statements for the year 2017 fairly presented Global Hawk's financial position. The 2017 Audited Financial Statements materially misstated Global Hawk's assets and did not fairly present Global Hawk's financial position. Global Hawk was insolvent.

103. Crowe knew that the Department would rely on representations made in the 2017 Auditor's Report.

104. In issuing its 2017 Audit Report, Crowe negligently supplied false information for the guidance of others.

105. The Department reasonably relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2017 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the Department in 2018 that Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

106. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements damaged Global Hawk by allowing it to incur operating losses and suffer misappropriations and allowing its insolvency to increase. The deepened insolvency damaged Global Hawk. It also damaged Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims.

COUNT VI – 2018 AUDIT REPORT– NEGLIGENT MISREPRESENTATION

107. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

108. As auditor for Global Hawk, Crowe had a duty to conduct its 2018 audit and issue its audit opinion with due professional care, including a duty to obtain sufficient relevant evidence to afford a reasonable basis for its conclusions.

109. Crowe breached its duty of care in issuing its 2018 Audit Report opining that the Audited Financial Statements for the year 2018 fairly presented Global Hawk's financial position. The 2018 Audited Financial Statements materially misstated Global Hawk's assets and did not fairly present Global Hawk's financial position. Global Hawk was insolvent.

110. Crowe knew that the Department would rely on representations made in the 2018 Auditor's Report.

111. In issuing its 2018 Audit Report, Crowe negligently supplied false information for the guidance of others.

112. The Department reasonably relied upon the representations as to Global Hawk's assets and members' equity (net worth) in the 2018 Audited Financial Statements in allowing Global Hawk to continue doing business. If Crowe had alerted the Department in 2019 that

Global Hawk was insolvent, the Department would have acted to stop Global Hawk from continuing in business.

113. By allowing Global Hawk to continue in business, the materially misstated Audited Financial Statements damaged Global Hawk by allowing it to incur operating losses and suffer misappropriations and allowing its insolvency to increase. The deepened insolvency damaged Global Hawk. It also damaged Global Hawk's policyholders and other creditors, who will receive smaller distributions on their claims.

COUNT VII – 2016 AUDIT – BREACH OF CONTRACT

114. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

115. Crowe contracted with Global Hawk to perform the 2016 Audit in accordance with auditing standards generally accepted in the United States of America.

116. Crowe breached its contractual obligations by issuing the 2016 Auditor's Report without due professional care.

117. Global Hawk was damaged by Crowe's breaches of contract. The breaches of contract also damaged Global Hawk's policyholders and other creditors.

118. All contractual conditions precedent to suit have been satisfied. In the alternative, the conditions are waived, excused or invalid. In particular, the time limit on claims provision of the 2016 Engagement Letter is null and void pursuant to 12 V.S.A. § 465.

COUNT VIII – 2017 AUDIT – BREACH OF CONTRACT

119. The Liquidator incorporates by reference the allegations of paragraphs 1 - 77 above.

120. Crowe contracted with Global Hawk to perform the 2017 Audit in accordance with auditing standards generally accepted in the United States of America.

121. Crowe breached its contractual obligations by issuing the 2017 Auditor's Report without due professional care.

122. Global Hawk was damaged by Crowe's breaches of contract. The breaches of contract also damaged Global Hawk's policyholders and other creditors.

123. All contractual conditions precedent to suit have been satisfied. In the alternative, the conditions are waived, excused or invalid. In particular, the time limit on claims provision of the 2017 Engagement Letter is null and void pursuant to 12 V.S.A. § 465 and, in any event, entry of the Order of Liquidation tolled that and all other limitations periods pursuant to 8 V.S.A. § 7063(b).

COUNT IX – 2018 AUDIT – BREACH OF CONTRACT

124. The Liquidator incorporates by reference the allegations of paragraphs 1 – 77 above.

125. Crowe contracted with Global Hawk to perform the 2018 Audit in accordance with auditing standards generally accepted in the United States of America.

126. Crowe breached its contractual obligations by issuing the 2018 Auditor's Report without due professional care.

127. Global Hawk was damaged by Crowe's breaches of contract. The breaches of contract also damaged Global Hawk's policyholders and other creditors.

128. All contractual conditions precedent to suit have been satisfied. In the alternative, the conditions are waived, excused or invalid.

WHEREFORE, the Liquidator respectfully requests that this Court:

- A. Enter judgment for the Liquidator and against the Defendant in the amount of damages proven plus pre-judgment and post-judgment interest;
- B. Award the Liquidator his costs and attorneys' fees; and
- C. Grant such other and further relief as justice may require.

MICHAEL S. PIECIAK, COMMISSIONER OF
THE VERMONT DEPARTMENT OF
FINANCIAL REGULATION, SOLELY AS
LIQUIDATOR OF GLOBAL HAWK
INSURANCE COMPANY RISK RETENTION
GROUP,

By his attorneys,

/s/Jennifer Rood

Jennifer Rood, Assistant General Counsel and
Special Assistant Attorney General
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October 26, 2021

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esmith@rackemann.com
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(*pro hac vice* motions to be submitted)

Exhibit B

STATE OF VERMONT

SUPERIOR COURT
WASHINGTON UNIT

CIVIL DIVISION
Docket No. 21-CV-0335

| | |
|-------------------------------------|---|
| MICHAEL S. PIECIAK, in his official |) |
| capacity as COMMISSIONER OF THE |) |
| VERMONT DEPARTMENT OF FINANCIAL |) |
| REGULATION, solely as LIQUIDATOR OF |) |
| GLOBAL HAWK INSURANCE COMPANY |) |
| RISK RETENTION GROUP, |) |
| Plaintiff |) |
| |) |
| v. |) |
| |) |
| CROWE LLP, |) |
| Defendant |) |

NOTICE OF FILING OF NOTICE OF REMOVAL

Pursuant to 28 U.S.C. § 1446(d), Defendant Crowe LLP hereby notifies this Court and the adverse party that Defendant in this matter filed a Notice of Removal of this case with the United States District Court for the District of Vermont. A copy of the Notice of Removal is attached hereto as Exhibit A. Pursuant to 28 U.S.C. § 1446(d), this Court shall proceed no further unless and until this case is remanded.

Dated: Burlington, Vermont
November 22, 2021

/s/ Matthew B. Byrne
 Matthew B. Byrne, Esq.
 Gravel and Shea PC
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 Burlington, VT 05402-0369
 (802) 658-0220
 mbyrne@gravelshea.com
 For Defendant Crowe LLP

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
 Michael S. Pieciak, in his official capacity as
 Commissioner of the Vermont Dept. of Financial Reg.

(b) County of Residence of First Listed Plaintiff Washington
 (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
 Jennifer Rood, Asst. General Counsel, 89 Main Street,
 Montpelier, VT 05620 (802) 828-5672

DEFENDANTS
 Crowe LLP

County of Residence of First Listed Defendant _____
 (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
 THE TRACT OF LAND INVOLVED.

Attorneys (If Known)
 Matthew B. Byrne, Esq., Gravel & Shea PC, P.O. Box 369,
 Burlington, VT 05402-0369, (802) 658-0220

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff

2 U.S. Government Defendant

3 Federal Question (U.S. Government Not a Party)

4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

(For Diversity Cases Only)

| | | | | | |
|---|---------------------------------------|---------------------------------------|---|----------------------------|----------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input checked="" type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only) Click here for: Nature of Suit Code Descriptions.

| CONTRACT | TORTS | FORFEITURE/PENALTY | BANKRUPTCY | OTHER STATUTES | |
|--|--|--|---|---|---|
| <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise | PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice | PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability LABOR <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability | <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions | <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 INTELLECTUAL PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <input type="checkbox"/> 880 Defend Trade Secrets Act of 2016 SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609 | <input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692) <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes |
| REAL PROPERTY | CIVIL RIGHTS | PRISONER PETITIONS | | | |
| <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property | <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education | Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement | | | |

V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened 5 Transferred from Another District (specify) 6 Multidistrict Litigation - Transfer 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
 28 U.S.C. § 1332

Brief description of cause:
 Breach of Contract

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ _____ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE _____ DOCKET NUMBER _____

DATE: November 22, 2021
 SIGNATURE OF ATTORNEY OF RECORD: 

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
- United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
- Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
- Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
- Original Proceedings. (1) Cases which originate in the United States district courts.
- Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
- Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
- Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
- Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
- Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
- Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
- PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
- Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
- Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

MICHAEL S. PIECIAK, in his official
capacity as COMMISSIONER OF THE
VERMONT DEPARTMENT OF
FINANCIAL REGULATION, solely as
LIQUIDATOR of GLOBAL HAWK
INSURANCE COMPANY RISK
RETENTION GROUP,

Plaintiff,

v.

CROWE LLP

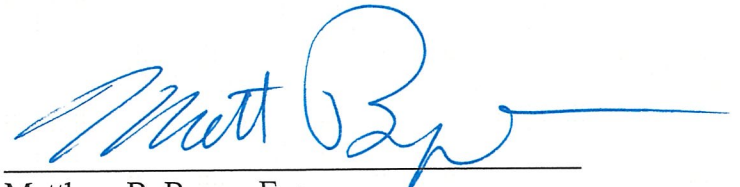
Defendant.

**CORPORATE DISCLOSURE
STATEMENT**

CORPORATE DISCLOSURE STATEMENT

Pursuant to Fed. R. Civ. P. 7.1 and Local Rule 7.1, Defendant Crowe LLP is a non-governmental party and certifies that: (a) it has no parent corporation; (b) no publicly held corporation owns 10% or more of its stock; (c) its subsidiaries that are not wholly owned are Crowe Healthcare Risk Consulting LLC, Crowe Horwath IT Services LLC, and C3 Philippines Office, Inc.; and (d) it has no affiliates that have issued shares of ownership to the public.

Dated: Burlington, Vermont
November 22, 2021



Matthew B. Byrne, Esq.
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(802) 658-0220
mbyrne@gravelshea.com
For Defendant

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF VERMONT

MICHAEL S. PIECIAK, in his official,)
capacity as COMMISSIONER OF THE)
VERMONT DEPARTMENT OF FINANCIAL)
REGULATION, solely as LIQUIDATOR OF)
GLOBAL HAWK INSURANCE COMPANY)
RISK RETENTION GROUP,)
Plaintiff)
v.)
CROWE LLP,)
Defendant)

Case No. _____

CERTIFICATE OF SERVICE

I, Matthew B. Byrne, Esq., attorney for Defendant Crowe LLP, certify that, on November 22, 2021, I caused to be served Defendant's Notice of Removal and Corporate Disclosure Statement on the counsel of record as follows:

Via E-mail and U.S. Mail

| | |
|---|--|
| Jennifer Rood, Assistant General Counsel and Special Assistant Attorney General Vermont Department of Financial Regulation 89 Main Street Montpelier, VT 05620 Jennifer.Rood@vermont.gov | Eric A. Smith Margaret C. Fitzgerald Rackemann, Sawyer & Brewster P.C. 160 Federal St. Boston, MA esmith@rackemann.com mfitzgerald@rackemann.com |
|---|--|

Dated: Burlington, Vermont
November 22, 2021



Matthew B. Byrne, Esq.
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(802) 658-0220
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For Defendant