

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C.

SECURITIES EXCHANGE ACT OF 1934  
Rel. No. 69976 / July 11, 2013

Admin. Proc. File No. 3-14795

In the Matter of the Application of

S.W. HATFIELD, C.P.A.  
and  
SCOTT W. HATFIELD, C.P.A.  
c/o John A. Koepke  
Jackson Walker L.L.P.  
901 Main St., Ste. 6000  
Dallas, TX 75202

For Review of Disciplinary Action Taken by  
Public Company Accounting Oversight Board

ORDER TERMINATING  
STAY

On March 8, 2012, S.W. Hatfield (the "Firm") and Scott W. Hatfield, C.P.A. (together with the Firm, "Applicants") filed an application, pursuant to § 107(c) of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley"),<sup>1</sup> for Commission review of disciplinary action taken by the Public Company Accounting Oversight Board (the "Board"). The Board found that Applicants violated Board Rules 3100 and 3200T by failing to adhere to professional standards during their audits of financial statements of two public companies. The Board further found that it was in the public interest to permanently revoke the Firm's registration and permanently bar Hatfield from association with a registered public accounting firm.

Under § 105 of Sarbanes-Oxley, the Board's sanctions were automatically stayed upon application to the Commission for review. That section provides that an "[a]pplication to the Commission for review . . . of any disciplinary action of the Board shall operate as a stay of any such disciplinary action, unless and until the Commission orders . . . that no such stay shall continue to operate."<sup>2</sup> On July 3, 2013, the Commission issued an opinion (the "Commission Opinion") affirming the findings and disciplinary sanctions imposed by the Board.<sup>3</sup>

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<sup>1</sup> 15 U.S.C. § 7217(c).

<sup>2</sup> 15 U.S.C. § 7215(e)(1).

<sup>3</sup> Securities Exchange Act Rel. No. 69930 (July 3, 2013), \_\_\_ SEC Docket \_\_\_.

The Board now has moved to terminate the statutory stay on the effectiveness of the sanctions sustained in the Commission's July 3 opinion. Under Rule 401(e)(1) of the Commission's Rules of Practice, "[a]ny person aggrieved by a stay of action by the Board" under Section 105(e) of Sarbanes-Oxley "may make a motion to lift the stay."<sup>4</sup> Rule 401(e)(2) states that "[t]he Commission may lift a stay summarily, without notice and opportunity for hearing."<sup>5</sup>

After considering the public interest and the protection of investors, the Commission Opinion determined that revoking the Firm's registration and barring Hatfield from association are appropriate remedial sanctions. These same considerations support terminating the stay of these sanctions. As the Commission Opinion concluded, "a bar and revocation are necessary to protect the public interest," "protect the integrity of the Commission's processes," and "encourage more rigorous compliance with auditing standards both by Applicants and by other independent auditors."

Accordingly, IT IS ORDERED that the automatic stay of the Board sanctions imposed on Applicants pending the Commission's review be, and it hereby is, terminated.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Elizabeth M. Murphy  
Secretary

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<sup>4</sup> 17 C.F.R. § 201.401(e)(1).

<sup>5</sup> 17 C.F.R. § 201.401(e)(2); *see also* 15 U.S.C. § 7215(e)(1) (permitting the Commission to order that such stay shall be discontinued "summarily or after notice and opportunity for hearing on the question of a stay, which hearing may consist solely of the submission of affidavits or presentation of oral arguments").