

ORDER

III.

On the basis of Respondent's Offer in this matter, the Board finds² that:

A. Respondent

1. Tony Zhicong Li, CPA, age 53, is and at all relevant times was, a certified public accountant licensed by the state of New Jersey (license no. 20CC02774700). At all relevant times, Respondent was president, a partner, and fifty-percent (50%) owner of the registered public accounting firm of Li and Company, P.C. ("LICO"), a professional corporation headquartered in Skillman, New Jersey, and an associated person of a registered public accounting firm as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).

B. Respondent Failed to Cooperate with a PCAOB Investigation.

2. Pursuant to Section 105(b) of the Act and PCAOB Rules, the Board conducts investigations into acts or practices of registered public accounting firms and their associated persons that may violate any provision of the Act, the Rules of the Board, the provisions of securities laws relating to the preparation and issuance of audit reports and the obligations and liabilities of accountants with respect thereto, including the rules of the U.S. Securities and Exchange Commission issued under the Act, or professional standards. Section 105(b)(3)(A) of the Act authorizes the Board to sanction an associated person of a registered public accounting firm for refusing to testify, produce documents, or otherwise cooperate with the Board in connection with an investigation. Board rules include procedures for implementing that authority.³ Noncooperation with a Board investigation includes failing to comply with an ABD.⁴

3. As described below, Respondent failed to cooperate with the Board's investigation by failing to comply with ABDs issued to Respondent pursuant to PCAOB Rules 5102(b) and 5103 that required him to appear for sworn testimony and produce certain documents and information.

² The sanctions that the Board is imposing on Respondent in this Order are imposed pursuant to Section 105(b)(3) of the Act, 15 U.S.C. § 7215(b)(3), and PCAOB Rule 5300(b).

³ See PCAOB Rules 5110 and 5200(a)(3).

⁴ See PCAOB Rule 5110(a)(1).

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Background

4. LICO audited the financial statements of Issuers A, B, and C (collectively, the "Issuers"). At all relevant times, the Issuers were each an issuer, as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

5. Respondent served as the engagement partner on LICO's audits and reviews of Issuer A's financial statements for fiscal years ending December 31, 2012 and 2013, and as the engagement quality reviewer for the Firm's audits and reviews of the financial statements of Issuer B for fiscal year ending December 31, 2013, and Issuer C for fiscal year ending June 30, 2013.

6. In December 2014, the Board issued an Order of Formal Investigation ("OFI") regarding LICO's audits and reviews of the financial statements of the Issuers.

**Respondent's Failure to Appear for Testimony
and to Produce Documents and Information**

7. Pursuant to the Board's OFI, on July 10, 2015, the Board's Division of Enforcement and Investigations ("Division") sent Respondent an ABD requiring him to, among other things, appear for sworn testimony before the Division on August 19, 2015.

8. The Division anticipated taking testimony from the Respondent concerning, among other things, his role in the Firm's audits of the Issuers' financial statements.

9. After several delays, Respondent appeared before the Division on November 11, 2015, and completed the first of three scheduled days of sworn testimony. At the conclusion of the first day of testimony, Respondent's counsel informed the Division that Respondent would not be appearing for the remaining two days of his scheduled testimony.

10. On November 12, 2015, the Division sent Respondent, through counsel, a letter informing him that he had an obligation to cooperate with the Board investigation and, unless Respondent resumed his testimony, the Division intended to recommend a disciplinary proceeding against him for noncooperation with an investigation.

11. In December 2015, Respondent agreed to resume his sworn testimony before the Division in February 2016. However, on January 28, 2016, Respondent, through counsel, informed the Division that he would not appear to resume his testimony.

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12. On January 29, 2016, the Division sent Respondent's counsel a letter informing him that Respondent's refusal to appear for testimony constituted noncooperation with a Board investigation and the Division intended to recommend a disciplinary proceeding against him for noncooperation with an investigation.

13. On February 2, 2016, the Division issued a second ABD to Respondent that, among other things, required him to identify the circumstances surrounding the documentation of the Firm's Issuer audits. In late February 2016, Respondent, through counsel, informed the Division that he would not produce the information or comply with the February 2, 2016 ABD.

14. Respondent's failures to provide the required testimony and documents impeded the Board's ability to determine if Respondent's audit work was performed in accordance with PCAOB rules and standards, and whether violations occurred which justified sanctions.

15. As a result of the foregoing conduct, Respondent failed to cooperate with a Board investigation.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, the Board determines it appropriate to impose the sanctions agreed to in Respondent's Offer. Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 105(b)(3)(A)(iii) of the Act and PCAOB Rule 5300(b)(1), Tony Zhicong Li is hereby censured; and
- B. Pursuant to Section 105(b)(3)(A)(i) of the Act and PCAOB Rule 5300(b)(1), Tony Zhicong Li is barred from being an associated person of

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a registered public accounting firm, as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).⁵

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

June 14, 2016

⁵ As a consequence of the bar, the provisions of Section 105(c)(7)(B) of the Act will apply with respect to Respondent. Section 105(c)(7)(B) of the Act provides that "[i]t shall be unlawful for any person that is suspended or barred from being associated with a registered public accounting firm under this subsection willfully to become or remain associated with any issuer, broker, or dealer in an accountancy or a financial management capacity, and for any issuer, broker, or dealer that knew, or in the exercise of reasonable care should have known, of such suspension or bar, to permit such an association, without the consent of the Board or the Commission."