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ORDER INSTITUTING DISCIPLINARY )  
PROCEEDINGS, MAKING FINDINGS, )  
AND IMPOSING SANCTIONS ) PCAOB Release No. 105-2016-025  
)  
*In the Matter of Chunmin Liu, CPA,* ) June 14, 2016  
)  
*Respondent.* )  
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By this Order, the Public Company Accounting Oversight Board ("Board" or "PCAOB") is censuring Chunmin Liu, CPA, also known as Laura Liu ("Respondent"), and barring her from being an associated person of a registered public accounting firm.<sup>1</sup> The Board is imposing these sanctions on the basis of its findings concerning Respondent's noncooperation with a Board investigation, by failing to comply with an Accounting Board Demand ("ABD") which required her to appear for sworn testimony and produce documents and information.

I.

The Board deems it necessary and appropriate, for the protection of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports, that disciplinary proceedings be, and hereby are, instituted pursuant to Section 105(c) of the Sarbanes-Oxley Act of 2002 ("Act") and PCAOB Rule 5200(a)(3) against the Respondent.

II.

In anticipation of the institution of these proceedings, and pursuant to PCAOB Rule 5205, Respondent has submitted an Offer of Settlement ("Offer") that the Board has determined to accept. Respondent admits the facts, findings, and violations set forth below, and consents to the entry of this Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions ("Order") as set forth below.<sup>2</sup>

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<sup>1</sup> Respondent may file a petition for Board consent to associate with a registered public accounting firm after five (5) years from the date of this Order.

<sup>2</sup> The findings herein are made pursuant to the Respondent's Offer, and are not binding on any other person or entity in this or any other proceeding.

**ORDER**

**III.**

On the basis of Respondent's Offer in this matter, the Board finds<sup>3</sup> that:

**A. Respondent**

1. Chunmin Liu, CPA, also known as Laura Liu ("Respondent"), age 47, is, and at all relevant times was, a certified public accountant licensed by the state of Utah (License no. 7176707-2601). At all relevant times, Respondent was a non-equity partner with the registered public accounting firm of Li and Company, P.C. ("LICO"), a professional corporation headquartered in Skillman, New Jersey. Respondent was 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.<sup>4</sup> Noncooperation with a Board investigation includes failing to comply with an ABD.<sup>5</sup>

3. As described below, Respondent failed to cooperate with the Board's investigation by failing to comply with an ABD issued to Respondent pursuant to PCAOB Rules 5102(b) and 5103, which, among other things, required her to appear for sworn testimony and provide certain documents and information.

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<sup>3</sup> 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).

<sup>4</sup> See PCAOB Rules 5110 and 5200(a)(3).

<sup>5</sup> See PCAOB Rule 5110(a)(1).

**ORDER**

**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 manager on LICO's audits and reviews of the financial statements of Issuer A for fiscal years ending December 31, 2012 and 2013.

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

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

7. Pursuant to the Board's OFI, on February 2, 2016, the Board's Division of Enforcement and Investigations ("Division") issued an ABD requiring Respondent to produce certain documents and information and to appear for sworn testimony before the Division. The ABD further required Respondent, among other things, to identify the circumstances surrounding the documentation of the Firm's Issuer audits.

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

9. In late February 2016, Respondent, through counsel, informed the Division in writing that, like LICO and its two principals who also received related ABDs on the same date, she would not comply with the ABD issued to her. Shortly thereafter, on March 15, 2016, Respondent resigned from LICO.

10. 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.

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

**ORDER**

**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), Chunmin Liu is hereby censured;
- B. Pursuant to Section 105(b)(3)(A)(i) of the Act and PCAOB Rule 5300(b)(1), Chunmin Liu is barred from being 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),<sup>6</sup> and
- C. After five (5) years from the date of this Order, Chunmin Liu may file a petition, pursuant to PCAOB Rule 5302(b), for Board consent to associate with a registered public accounting firm.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

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Phoebe W. Brown  
Secretary

June 14, 2016

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<sup>6</sup> 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."