

ORDER

III.

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

A. Respondent

1. Juarez Lopes de Araújo, 62, is a retired partner of certain of the Brazilian entities in the Deloitte Touche Tohmatsu Limited network ("Deloitte Brazil Entities"). From June 1, 2008 through May 31, 2016, Araújo served as Chief Executive Officer ("CEO") and Managing Partner of the Deloitte Brazil Entities, including PCAOB registered firm Deloitte Touche Tohmatsu Auditores Independentes ("Deloitte Brazil" or "Firm"). In that capacity, Araújo served both on the Policy Committee, the governing body of the Deloitte Brazil Entities, and on the Executive Committee. On June 1, 2016, Araújo rotated out of the CEO and Managing Partner positions, and on July 18, 2016, he retired from the Deloitte Brazil Entities. At all relevant times, Araújo 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 Board Investigation

Applicable PCAOB Rules

2. Section 105(b)(3)(A) of the Act authorizes the Board to sanction an associated person of a registered public accounting firm for "refus[ing] to...cooperate with the Board in connection with an investigation[.]"³ Board rules include procedures for implementing that authority.⁴ Noncooperation with a Board investigation includes "fail[ing] to comply with an accounting board demand ['ABD']."⁵

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 15 U.S.C. § 7215(b)(3)(A).

⁴ See PCAOB Rule 5110, *Noncooperation with an Investigation*; PCAOB Rule 5200(a)(3), *Commencement of Disciplinary Proceedings*.

⁵ PCAOB Rule 5110(a)(1).

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Background

3. Beginning in 2013, the PCAOB Division of Enforcement and Investigations (the "Division") conducted an informal inquiry and, beginning on June 24, 2014, a formal investigation of Deloitte Brazil in connection with, among other things, the Firm's audit of Gol Linhas Aéreas Inteligentes S.A., also known as Gol Intelligent Airlines Inc., for fiscal year 2010 ("2010 Gol Audit").

4. In response to that inquiry and investigation, Deloitte Brazil, with the knowledge and participation of certain of its senior partners, obstructed a PCAOB investigation by providing false documents and information to the Division, including improperly altered versions of certain 2010 Gol Audit work papers.⁶

Respondent Failed to Cooperate with a Board Investigation

5. On October 4, 2016, the Division issued an ABD to Araújo requiring him to appear for testimony on November 3, 2016. The Division informed Araujo that it intended to take his testimony concerning his possible knowledge of or participation in the Firm's provision of false documents and information to the Division in connection with its investigation of the 2010 Gol Audit.

6. Although the Division accommodated Araújo's request to change the date of the testimony, Araújo informed the Division through his counsel on November 28, 2016 that he would not appear for testimony as required by the ABD. By not complying with the ABD, Araújo failed to cooperate with a Board investigation.⁷

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), Juarez Lopes de Araújo is censured; and

⁶ See *Deloitte Touche Tohmatsu Auditores Independentes*, PCAOB Rel. No. 105-2016-031 (Dec. 5, 2016).

⁷ See PCAOB Rule 5110(a).

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- B. Pursuant to Section 105(b)(3)(A)(i) of the Act and PCAOB Rule 5300(b)(1), Juarez Lopes de Araújo 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).⁸

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

March 29, 2017

⁸ As a consequence of the bar imposed in this Order, the provisions of Section 105(c)(7)(B) of the Act will apply with respect to Araújo. Section 105(c)(7)(B) provides: "It 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."