
ORDER INSTITUTING DISCIPLINARY
PROCEEDINGS, MAKING FINDINGS,
AND IMPOSING SANCTIONS

*In the Matter of Dale Arnold Hotz, CPA,
Jyothi Nuthulaganti Manohar, CPA and
Michael Jared Fadner, CPA,*

Respondents.

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) PCAOB Release No. 105-2012-008

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) November 13, 2012

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By this Order, the Public Company Accounting Oversight Board ("Board" or "PCAOB") is: (1) censuring Dale Arnold Hotz, CPA ("Hotz") and barring him from being an associated person of a registered public accounting firm;^{1/} (2) censuring Jyothi Nuthulaganti Manohar, CPA ("Manohar") and suspending her from being an associated person of a registered public accounting firm for a period of one year from the date of this Order; and (3) censuring Michael Jared Fadner, CPA ("Fadner"). The Board is imposing these sanctions on the basis of its findings that Hotz, Manohar and Fadner (collectively, "Respondents") violated PCAOB rules and auditing standards in connection with the improper creation, addition, alteration and/or backdating of audit documentation prior to a Board inspection.

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, as amended (the "Act"), and PCAOB Rule 5200(a)(1) against Respondents.

^{1/} Hotz may file a petition for Board consent to associate with a registered public accounting firm after two (2) years from the date of this Order.

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II.

In anticipation of the institution of these proceedings, and pursuant to PCAOB Rule 5205, each Respondent has submitted an Offer of Settlement ("Offer") that the Board has determined to accept. Solely for purposes of these proceedings and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein, except as to the Board's jurisdiction over Respondents and the subject matter of these proceedings, which is admitted, Respondents consent to the entry of this Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions ("Order") as set forth below.^{2/}

III.

On the basis of Respondents' Offers, the Board finds^{3/} that:

A. Respondents

1. Dale Arnold Hotz, 54, of Harpers Ferry, West Virginia, is a certified public accountant who is licensed under the laws of the States of Maryland (license no. 35577), New Jersey (license no. 20CC03329100) and North Carolina (license no. N645), the Commonwealth of Pennsylvania (license no. CA051121), and the District of Columbia (license no. CPA901337). At all relevant times, Hotz was a partner in the Frederick, Maryland office of the registered public accounting firm of McGladrey & Pullen, LLP (the "Firm" or "M&P"),^{4/} and an associated person of a registered public

^{2/} The findings herein are made pursuant to the Respondents' Offers and are not binding on any other person or entity in this or any other proceeding.

^{3/} The sanctions that the Board is imposing on Respondents Hotz and Manohar in this Order may be imposed only if a respondent's conduct meets one of the conditions set out in Section 105(c)(5) of the Act, 15 U.S.C. § 7215(c)(5). The Board finds that Respondents Hotz's and Manohar's conduct described in this Order meets the condition set out in Section 105(c)(5), which provides that such sanctions may be imposed in the event of (A) intentional or knowing conduct, including reckless conduct, that results in a violation of the applicable statutory, regulatory, or professional standard; or (B) repeated instances of negligent conduct, each resulting in a violation of the applicable statutory, regulatory, or professional standard.

^{4/} In May 2012, the Firm changed its legal name to "McGladrey LLP."



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accounting firm as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i). Based upon his conduct in connection with the Board inspection of the audit discussed below, M&P disciplined Hotz; among other things, M&P restricted Hotz from serving on engagements governed by PCAOB standards for audit and interim review periods ending on or before March 15, 2012.

2. Jyothi Nuthulaganti Manohar, 52, of Rose Valley, Pennsylvania, is a certified public accountant who is licensed under the laws of the State of New Jersey (license no 20CC03303900) and the Commonwealth of Pennsylvania (license no. CA025959L). At all relevant times, Manohar was a director in M&P's Blue Bell, Pennsylvania office, 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). Based upon her conduct in connection with the Board inspection of the audit described below, M&P disciplined Manohar; among other things, M&P restricted Manohar from serving on engagements governed by PCAOB standards for audit and interim review periods ending on or before March 15, 2012.

3. Michael Jared Fadner, 31, of Souderton, Pennsylvania, is a certified public accountant who is licensed under the laws of the Commonwealth of Pennsylvania (license no. CA051200) and the State of Texas (license no. 087301). At all relevant times, Fadner was an assurance manager in M&P's Blue Bell, Pennsylvania office, 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). Based upon his conduct in connection with the Board inspection of the audit described below, M&P disciplined Fadner; among other things, M&P placed restrictions upon Fadner's role on engagements governed by PCAOB standards for audit and interim review periods ending on or before March 15, 2012. In July 2011, Fadner resigned from M&P and ceased participating in issuer audit engagements.

B. Summary

4. M&P has been the independent auditor for the "Company" (as defined below in ¶6) since March 2007. M&P issued an audit report expressing an unqualified opinion on the Company's December 31, 2009 financial statements. Hotz was the engagement partner for the Firm's audit of the Company's December 31, 2009 financial statements (the "Audit"). Hotz supervised the members of the Audit engagement team and had overall responsibility for ensuring their compliance with PCAOB rules and auditing standards related to the Audit. Manohar served as engagement manager on the Audit. Her work on the Audit was supervised by Hotz, she supervised junior members of the Audit team, and she had responsibility for ensuring their compliance

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with PCAOB rules and auditing standards related to the Audit. Fadner served as in-charge on the Audit. During the Audit, Hotz and Manohar supervised Fadner.

5. This matter concerns Respondents' violations of PCAOB rules and auditing standards. Respondents repeatedly violated both PCAOB Rule 4006, *Duty to Cooperate with Inspectors*, and Auditing Standard No. 3, *Audit Documentation* ("AS3"). In advance of field work for the Board's inspection of the Audit, Respondents Hotz, Manohar, and Fadner improperly created and/or added documents to the audit documentation, Hotz altered certain audit documentation by adding information to documents, and Fadner backdated a document added to the audit documentation, all in violation of Rule 4006. Further, Hotz provided false and misleading information to the PCAOB, in violation of Rule 4006. In violation of AS3, Respondents added documents to the audit documentation, and Hotz altered certain audit documentation, without indicating the date that information was added to the work papers, the name of the persons preparing the additional documentation, and the reason for adding it after the documentation completion date.

C. Respondents Violated PCAOB Rules and Auditing Standards

6. The Company is an "issuer" as that term is defined in Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii). In December 2010, the Board inspected M&P's audit of the Company's December 31, 2009 financial statements.

7. PCAOB rules require that an associated person of a registered public accounting firm "shall cooperate with the Board in the performance of any Board inspection."^{5/} This cooperation obligation "includes an obligation not to provide misleading documents or information in connection with the Board's inspection processes."^{6/} PCAOB rules also require that associated persons of registered public

^{5/} PCAOB Rule 4006, Duty to Cooperate with Inspectors.

^{6/} *Peter C. O'Toole, CPA*, PCAOB Release No. 105-2011-005 (Aug. 1, 2011) ¶ 5; *Darrin G. Estella, CPA*, PCAOB Release No. 105-2011-004 (Aug. 1, 2011) ¶ 5; *Jacqueline A. Higgins, CPA*, PCAOB Release No. 105-2010-008 (Dec. 3, 2010) ¶ 5; *Drakeford & Drakeford, LLC*, PCAOB Release No. 105-2009-002 (June 16, 2009) ¶ 8. See also *Gately & Associates, LLC*, SEC Release No. 34-62656 at 22-23, 2010 SEC LEXIS 2535, at *23 (Aug. 5, 2010) (sustaining Board finding that respondents failed to cooperate with Board inspection).



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accounting firms comply with the Board's auditing standards.^{7/} Among other things, PCAOB auditing standards require that certain written disclosures be included if the auditor adds to the audit documentation after the documentation completion date.^{8/} As detailed below, Respondents violated PCAOB rules and auditing standards when they: (1) improperly created, added to, altered, and/or backdated audit work papers; and (2) provided misleading audit documentation and information to the Board in connection with the Board's inspection of the Audit.

The Audit

8. M&P audited the Company's December 31, 2009 financial statements. M&P's audit report expressed an unqualified opinion and stated that the Audit was conducted in accordance with PCAOB standards. The audit report stated that the Company's December 31, 2009 financial statements presented fairly, in all material respects, the Company's financial position, results of operations and cash flows in conformity with U.S. Generally Accepted Accounting Principles. The audit report was included in the Company's annual report, included within a Form 10-K filed with the U.S. Securities and Exchange Commission ("Commission").

9. The report release date for the Audit is defined as "the date the auditor grants permission to use the auditor's report in connection with the issuance of the company's financial statements."^{9/} The documentation completion date is defined as "a date not more than 45 days after the report release date."^{10/} Audit documentation must not be deleted or discarded after the documentation completion date; however, information may be added.^{11/} Any documentation added must indicate the date the information was added, the name of the person who prepared the additional documentation, and the reason for adding it.^{12/}

^{7/} PCAOB Rule 3100, Compliance with Auditing and Related Professional Practice Standards.

^{8/} AS3 ¶ 16.

^{9/} *Id.* ¶ 14.

^{10/} *Id.* ¶ 15.

^{11/} *Id.* ¶ 16.

^{12/} *Id.*



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Steps Taken in Advance of the Board's Inspection

10. On November 17, 2010, the Board notified M&P that the Board's Division of Registration and Inspections ("Board's Inspection Division") would inspect the Audit (the "Inspection"). The Act "requires the Board to conduct a 'continuing program of inspections to assess the degree of compliance of each registered public accounting firm and associated persons . . . with [the Act], the rules of the Board, the rules of the Commission, or professional standards.'"^{13/}

11. On or about November 17, 2010, Respondents were notified that the Audit would be inspected by the Board's Inspection Division. Field work for the Inspection was scheduled to begin on Monday, December 6, 2010.

Respondents Reviewed the Work Papers on December 3, 2010

12. The audit documentation for the Audit included both electronic work papers and hard copy work papers (the "hard copy work papers").

13. On December 1, 2010, an M&P colleague recommended to Hotz that, before a PCAOB inspection, he should review the work papers to refresh his memory about the audit focus areas.

14. Also on December 1, 2010, Hotz and Manohar received an email from M&P, reminding them to have the hard copy work paper files for the Audit available for the PCAOB Inspections team to review. They were told that M&P would separately make the electronic work papers for the Audit available to the Board's Inspection Division. Manohar forwarded this message to Fadner, who then retrieved the hard copy work papers for the Audit from the file room in the Firm's Blue Bell office. On December 3, 2010, Fadner informed Manohar that he had the hard copy work paper files in his office. Later that morning, he brought those hard copy work papers to Manohar's office.

15. Respondents planned a teleconference for Friday, December 3, 2010, to prepare for the PCAOB's Inspection field work scheduled to begin on Monday, December 6, 2010.

^{13/} *Gately & Associates, LLC*, SEC Release No. 34-62656 at 2 n.3, 2010 SEC LEXIS 2535, *2 n.3 (quoting Section 104(a) of the Act).



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16. On the morning of Friday, December 3, 2010, prior to the planned teleconference, Manohar and Fadner met in Manohar's office to begin preparing for the Inspection field work. During this meeting, Manohar and Fadner reviewed the audit documentation and, as is discussed below, they identified two documents that were absent from the audit documentation – an engagement letter with an original client signature, and a cash flow worksheet – and decided to obtain and/or create those documents and add them to the hard copy work papers.

17. Later on December 3, 2010, Hotz, from his office in Frederick, Maryland, spoke with Manohar and Fadner via teleconference, to prepare for the Inspection. During this teleconference, Respondents reviewed the audit documentation and, as is discussed below, Hotz and Manohar identified a document absent from the audit documentation – a document relating to the fair value of financial instruments – and decided to create and add it to the hard copy work papers.

*Fadner Altered and Backdated the Cash Flow Worksheet,
and Upon Manohar's Instructions,
Fadner Improperly Added the Cash Flow Worksheet to the Hard Copy Work Papers*

18. During the Audit, the Company had sent its auditors a package to support its financial statements, including a document (the "cash flow worksheet") the engagement team could use to review the statement of cash flows. The engagement team had a practice of using the cash flow worksheet in its audits of the Company (adding handwritten tick-marks and cross-references to the document during its use) and maintaining the cash flow worksheet in the audit documentation.

19. During the December 3, 2010 meeting between Manohar and Fadner, Manohar noticed that the electronic Audit work papers did not contain a cash flow worksheet. Fadner reviewed the hard copy work paper files, but could not find the cash flow worksheet there, either. On his laptop computer's hard drive, Fadner found an electronic copy of a cash flow worksheet that was prepared and provided by the Company and that was not in the electronic work papers. There were no tick-marks or other evidence that it was used during the Audit.

20. Manohar directed Fadner to print the cash flow work sheet from his computer and add it to the hard copy work papers. On December 3, 2010, Fadner printed the cash flow worksheet from his computer.

21. On the morning of December 6, 2010, the day Inspection field work began, Fadner handwrote tick-marks, cross-references, footings and recalculations to the cash flow worksheet he printed on December 3, 2010, to reflect work purportedly performed during the audit. On the cover page of the cash flow worksheet, Fadner

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wrote his initials and backdated the cash flow worksheet to March 6, 2010 (a date during the Audit). Fadner added the cash flow worksheet, with his new tick-marks, cross-references, footings and recalculations, to the hard copy work paper files. Manohar knew that Fadner added the cash flow worksheet to the hard copy work papers. The cash flow worksheet that Fadner added to the hard copy work papers, upon Manohar's instructions, did not indicate the date it was added to the audit documentation or the reason for adding it.

*Manohar and Fadner Improperly Added the Engagement Letter
with Original Client Signature to the Hard Copy Work Papers*

22. During the December 3, 2010 meeting between Manohar and Fadner, Manohar noticed that the hard copy work papers for the Audit did not contain an engagement letter bearing an original client signature. Manohar understood that M&P policy required an audit team to maintain an engagement letter with an original signature. On December 3, 2010, Manohar contacted the Company to request the hard copy engagement letter with an original client signature so that it could be added to the hard copy work papers before Inspection field work commenced on December 6, 2010. Manohar asked Fadner to follow-up on her request.

23. On December 3, 2010, Fadner contacted the Company's corporate controller via email to obtain a hard copy engagement letter with an original client signature. Fadner asked that the letter be delivered early on the morning of December 6, 2010. After a series of emails, the Company's controller told Fadner that the Company would have the engagement letter with original client signature delivered to Manohar by 8:30 a.m. on December 6, 2010.

24. On the morning of December 6, 2010, the day Inspection field work began, the engagement letter with original client signature was delivered to the Firm's Blue Bell, Pennsylvania office. That morning, Manohar received the courier envelope containing the engagement letter, removed the engagement letter from the envelope, verified that the engagement letter bore an original client signature and brought the engagement letter to Fadner's office, where the hard copy work papers were. The engagement letter with original client signature was added to the hard copy work paper files on December 6, 2010, after the documentation completion date. The engagement letter with original client signature did not indicate the date it was added to the audit documentation, the names of the persons who prepared it, or the reason for adding it.

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*Hotz and Manohar Created the Fair Value Memorandum
and Improperly Added it to the Hard Copy Work Papers*

25. In advance of his December 3, 2010 teleconference with Manohar and Fadner, Hotz reviewed the Firm's electronic work papers for the Audit and noticed that they did not contain a "Fair Value Memorandum." Hotz and Manohar had a practice of summarizing the work performed by the engagement team to test their client's fair value measurements of financial instruments and related disclosures in such a memorandum. During the December 3, 2010 teleconference, Manohar also noticed that the electronic work papers did not contain the Fair Value Memorandum and asked Hotz whether she should prepare a Fair Value Memorandum for the Audit; Hotz responded that Manohar should do so.

26. On the evening of Sunday, December 5, 2010, Manohar drafted a Fair Value Memorandum for the Audit (using the format of a Fair Value Memorandum that was prepared in connection with another audit). Manohar emailed her first draft of the Fair Value Memorandum to Hotz. Hotz commented to and corrected Manohar on the first draft of the Fair Value Memorandum. The first draft of the Fair Value Memorandum stated that Company management had provided certain assumptions to one of the specialists retained by the Company to calculate its fair value calculations. Hotz commented, "Kind of begs the questions whether we reviewed those assumptions and if they were reasonable." In response, Manohar revised the draft Fair Value Memorandum to remove reference to management providing those specific assumptions. In an email, Manohar also stated that she added information to the next draft of the memo about the evaluation of a specialist because "[w]e indicated in the partner planning memo that we would."

27. Manohar sent a revised draft Fair Value Memorandum to Hotz, who approved it as the final memorandum. Hotz printed the final Fair Value Memorandum; initialed it; wrote "Footnote 20" at the top of the first page; and added the newly-created final Fair Value Memorandum to the hard copy work paper files for the Audit. The Fair Value Memorandum did not indicate the date it was added to the audit documentation or the reason for adding it.

Hotz Improperly Added the Specialist Memo to the Hard Copy Work Papers

28. For its December 31, 2009 financial statements, the Company utilized the work of a specialist (the "Specialist") in its calculation of certain fair value measurements for the Audit. During the Audit, M&P relied on the work of the Specialist. This Specialist provided specialist services both to the Firm (in other audits) and to the Firm's clients (as in this Audit).

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29. After the Audit and the documentation completion date, Hotz obtained a memorandum (the "Specialist Memo") prepared by the Specialist that described its qualifications, and generally described the nature of the type of work it performed in its engagements, the assumptions and other sources of data it used in its engagements, and the way that an auditor could obtain an understanding of the nature of the work the Specialist performed. The Specialist Memo was not obtained, created, or considered in connection with the Audit, and it was not placed in the audit documentation before the documentation completion date. Hotz maintained a copy of the Specialist Memo on his computer's hard drive.

30. In advance of the Inspection field work, Hotz remembered that he had received the Specialist Memo from the Specialist, and between December 3, 2010 and December 5, 2010, Hotz located it on his computer's hard drive. Hotz printed a copy of the Specialist Memo from his computer, initialed its bottom right hand corner, and on December 5, 2010, he added the Specialist Memo to the hard copy work paper files for the Audit. The Specialist Memo that Hotz added to the hard copy work papers on December 5, 2010 did not indicate the date it was added to the audit documentation or the reason for adding it.

Hotz Improperly Signed Documents Within the Hard Copy Work Papers

31. During the December 3, 2010 teleconference, Manohar mentioned that the three Quarterly Engagement Release Records in the hard copy work papers, for the first three quarters of 2009, were not manually signed. On December 5, 2010, Hotz searched through the hard copy work papers for these documents and located them. Hotz manually signed, but did not date, the three Quarterly Engagement Release Records, months after the documentation completion date, without indicating the date he added his signature to these documents in the hard copy work papers or the reasons for signing them after the documentation completion date.

Hotz Improperly Initialed Documents Within the Hard Copy Work Papers

32. On the evening of December 5, 2010, Hotz also added handwritten initials to eleven hard-copy documents within the hard copy work papers. These documents were:

- a. four hard copy Management Representations:
 - i. three Management Representation Letters, one for each of the Company's first, second and third quarter Forms 10-Q; and
 - ii. a Management Representation Letter relating to the Audit.

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- b. three hard copy Legal Representations:
 - i. a Legal Representation letter from the Company's legal counsel;
 - ii. a Legal Representation email from the Company's legal counsel, updating the prior legal representation letter; and
 - iii. a Legal Representation letter from another of the Company's legal counsel that Hotz did not review during the Audit.
- c. a Confirmation Selection Memo.
- d. an Engagement Report Release and Delivery Record for the Audit.
- e. two Engagement Letters: an engagement letter^{14/} and an amended engagement letter.

Hotz initialed these documents in the hard copy work papers without indicating the date the initials were added to the hard copy work papers or the reasons for initialing them after the documentation completion date.

*Hotz Improperly Altered a Document
Within the Hard Copy Work Papers by Adding Information*

33. Among the hard copy work papers was a copy of Exhibit 13 to the Company's 2009 Form 10-K, *Management's Discussion & Analysis of Financial Condition & Results of Operations* ("Exhibit 13"), which included M&P's audit opinion and the Company's financial statements with accompanying footnotes. The copy of Exhibit 13 bore handwritten annotations, including cross-references. The electronic work papers did not contain a copy of this annotated Exhibit 13.

34. On the evening of December 5, 2010, Hotz reviewed that document, noted that the last three footnotes to the financial statements were not cross-referenced,

^{14/} On December 5, 2010, Hotz initialed a black and white copy of this engagement letter that was in the hard copy work papers. The next day, Manohar and Fadner obtained the same engagement letter – with an original client signature – and improperly added it to the hard copy work papers. (See ¶24, above.)

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and added handwritten annotations (cross-references) to the last three footnotes to the financial statements within the hard copy Exhibit 13. Hotz added this information without indicating the date he had done so, the name of the person who added the information, or the reasons for adding it.

Misleading Documents Provided to the Board During the Board's Inspection

35. Field work for the Board's Inspection took place during the week of December 6, 2010. On December 6, 2010, Fadner delivered the hard copy work papers to the Board's inspectors, including the documents that were improperly created, backdated, and/or added to the hard copy work papers shortly before the Board's Inspection field work commenced. The hard copy documents that Fadner delivered to the Board's inspectors also included the documents that were improperly altered within the hard copy work papers shortly before the Board's Inspection field work began. Respondents did not advise the inspectors that any of these documents were improperly created, backdated, added to the work papers, or altered in December 2010.

36. As a result of the conduct described above, Respondents violated PCAOB Rule 4006, *Duty to Cooperate with Inspectors*, and AS3, *Audit Documentation*.

The Misleading Updated Engagement Profile

37. On November 29, 2010 (before Inspection field work began), Hotz submitted to the Board a document entitled *Public Company Accounting Oversight Board 2010 Inspection Period Engagement Profile* (the "Engagement Profile"). Hotz drafted the Engagement Profile, with the assistance of others on the Audit engagement team.

38. One of the questions in the Engagement Profile asked: "Have there been any changes made to the audit documentation subsequent to the documentation complete [sic] date [?] If yes, please explain the nature of the changes below, and provide a summary log of when the changes were made." In reply to this question, Hotz represented: "No changes have been made."

39. During field work for the PCAOB Inspection of the Audit, the PCAOB inspectors asked Hotz to revise the Engagement Profile. Hotz made the revisions. On December 8, 2010, Hotz updated and submitted another Engagement Profile to the Board's Inspection Division. The updated Engagement Profile that Hotz submitted to the Board's Inspection Division falsely represented that no changes had been made to the audit documentation subsequent to the documentation completion date when, in fact, changes had been made just days before field work for the PCAOB Inspection began.

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40. At no time did Hotz disclose to the Board's Inspection Division that the Respondents had, in fact, made changes to the audit documentation subsequent to the documentation completion date, by improperly creating and/or adding documents to the hard copy work papers, and altering (by initialing, signing, or adding information) documents in the hard copy work papers, after the documentation completion date, and shortly before the Inspection fieldwork began.

41. As a result of Hotz's submission of the misleading Engagement Profile, Hotz violated Rule 4006.

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 Respondents' Offers. Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), Dale Arnold Hotz, CPA is censured;
- B. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Dale Arnold Hotz, CPA 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);
- C. After two years from the date of this Order, Dale Arnold Hotz, CPA may file a petition, pursuant to PCAOB Rule 5302(b), for Board consent to associate with a registered public accounting firm;
- D. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), Jyothi Nuthulaganti Manohar, CPA is censured;
- E. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Jyothi Nuthulaganti Manohar, CPA is suspended for one (1) year from the date of this Order 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); and

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- F. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), Michael Jared Fadner, CPA is censured.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

November 13, 2012