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ORDER GRANTING PETITION TO  
TERMINATE BAR AND CONSENTING TO  
ASSOCIATION WITH A REGISTERED  
PUBLIC ACCOUNTING FIRM

*In the Matter of Keith Zhen, CPA*

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) PCAOB Release No. 105-2018-004  
)  
) April 25, 2018  
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On July 23, 2015, the Public Company Accounting Oversight Board ("Board" or "PCAOB") issued an order instituting disciplinary proceedings, making findings and imposing sanctions that barred Keith Zhen, CPA ("Zhen") from being an associated person of a registered public accounting firm. Zhen was permitted, pursuant to the order, to petition for Board consent to associate with a registered public accounting firm after two years from the date of the order.<sup>1</sup> Zhen has filed a petition to terminate the bar and for Board consent to associate with Jimmy P. Lee, CPA P.C., a public accounting firm registered with the Board pursuant to Section 102 of the Sarbanes-Oxley Act of 2002, as amended, and PCAOB Rules. By this Order, the Board is granting Zhen's petition.

In the order imposing sanctions against Zhen, the Board found that Keith K. Zhen, C.P.A. (the "Firm"), a registered public accounting firm, violated PCAOB rules and standards by repeatedly failing to comply with Auditing Standard No. 7, *Engagement Quality Review*, with respect to five issuer audit clients and for multiple audits for some. In the case of each client, the Firm failed to obtain an engagement quality review of each audit even though it was required to be performed. Zhen, a partner of the Firm, directly and substantially contributed to the Firm's violations with respect to the Firm's audits of the five issuer clients. Zhen consented to the entry of the Order without admitting or denying the findings in it, except as to Board's jurisdiction over him and the subject matter of the proceedings, which he admitted.

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<sup>1</sup> *In the Matter of Keith K. Zhen, CPA, and Keith Zhen, CPA, PCAOB Rel. No. 105-2015-029 (July 23, 2015).*

PCAOB Rule 5302(b) governs petitions to terminate a bar from being an associated person of a registered public accounting firm. Such petitions must be supported by an affidavit addressing certain factors and include certain exhibits as specified in PCAOB Rule 5302(b)(2). PCAOB Rule 5302(b)(3) requires the petitioner to make a showing satisfactory for the Board to be able to determine that the proposed association would be consistent with the public interest. Such a determination depends on the petitioner's specific facts and circumstances.

On the basis of the information supplied and representations made relating to factors identified in PCAOB Rule 5302(b)(4), it appears that Zhen has met the requirements of PCAOB Rule 5302(b) and that he has complied with the July 23, 2015, order barring him from being an associated person of a registered public accounting firm. Moreover, nothing has come to the Board's attention that would be a basis for an adverse decision on Zhen's petition.

In view of the foregoing, the Board determines that the proposed association would be consistent with the public interest. Accordingly, it is hereby ORDERED that:

- A. The Board consents to Keith Zhen, CPA's association with Jimmy P. Lee, CPA P.C., a registered public accounting firm; and
- B. The bar against Keith Zhen, CPA from being an associated person of a registered public accounting firm is hereby terminated.

ISSUED BY THE BOARD.



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Phoebe W. Brown  
Secretary

April 25, 2018