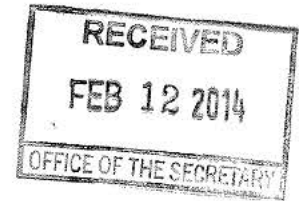


ADMINISTRATIVE PROCEEDING
FILE NOS. 3-14872, 3-15116

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549



In the Matter of

BDO China Dahua CPA Co., Ltd.;
Ernst & Young Hua Ming LLP;
KPMG Huazhen (Special General
Partnership);
Deloitte Touche Tohmatsu Certified Public
Accountants Ltd.;
PricewaterhouseCoopers Zhong Tian CPAs
Limited

Respondents.

**RESPONDENTS' MOTION FOR LEAVE TO ADDUCE ADDITIONAL EVIDENCE
PURSUANT TO COMMISSION RULE OF PRACTICE 452**

Date: February 12, 2014

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Pursuant to Rule 452 of the U.S. Securities and Exchange Commission's (the "SEC" or "Commission") Rules of Practice, Respondents Ernst & Young Hua Ming LLP ("EYHM"); KPMG Huazhen (Special General Partnership) ("KPMG Huazhen"); Deloitte Touche Tohmatsu Certified Public Accountants Ltd. ("DTTC"); and PricewaterhouseCoopers Zhong Tian CPAs Limited Company ("PwC Shanghai") (collectively, "Respondents") respectfully move the Commission for leave to adduce—and introduce into the record—additional evidence that is critical to the proper resolution of this matter, and which the Administrative Law Judge ("ALJ") declined to consider.

INTRODUCTION

In his January 22, 2014 Initial Decision (the "Initial Decision"), the ALJ erroneously rejected Respondents' effort to supplement the hearing record with evidence that the ALJ himself characterized as "potentially exculpatory." Initial Decision at 110. In particular, this undisputed evidence shows that several sets of the workpapers at issue in this proceeding have been produced by the China Securities Regulatory Commission ("CSRC") to the SEC, and that the CSRC is assisting the SEC in obtaining the remaining requested workpapers (the "Supplemental Evidence"). The ALJ nonetheless rejected the admission of the Supplemental Evidence on the grounds that it was a "better approach" for the Supplemental Evidence to be adduced and analyzed upon review by the full Commission. *Id.* The Initial Decision is decisively undermined by the refusal to consider this undisputed evidence of workpaper productions by the CSRC—and, indeed, by its affirmative assumption that no workpapers have been produced. Through the instant motion, Respondents are asking the Commission to consider this evidence, as the Initial Decision expressly contemplates. In any event, fairness and Commission Rule of Practice 452 require the admission and consideration of the Supplemental Evidence now so that the Commission can review the Initial Decision on a complete record.

Rule 452 allows the introduction of new evidence at any time prior to the Commission's decision if (1) it is material; and (2) there are reasonable grounds for failure to adduce the evidence earlier in the proceeding. The Supplemental Evidence easily meets that standard. As to the first prong, the Supplemental Evidence is not just "material," it is critical to the proper adjudication of this proceeding. Indeed, the ALJ and the Division have each acknowledged its importance throughout the proceeding. Among other things, the Supplemental Evidence establishes that the SEC and CSRC have achieved a diplomatic resolution to the issue of workpaper access and that the production obligations concerning the produced workpapers have been satisfied under Section 106(f) of the Sarbanes-Oxley Act. The Supplemental Evidence further affirms that the CSRC is an alternate means of production such that the Section 106 requests are unenforceable and Respondents acted in good faith. And it completely undermines the sanction proposed by the Initial Decision. The second prong is also easily satisfied: as soon as information about the productions by the CSRC and other assistance became available, Respondents diligently pursued this evidence and sought its submission into the record, only to have those efforts rejected by the ALJ. The Supplemental Evidence thus should be admitted into the record and considered as part of the Commission's review of the Initial Decision.

Accordingly, Respondents request that the Commission, pursuant to Rule 452, admit and consider the following evidence: (1) Respondents Exhibits 654 through 672, which constitute communications between the SEC and CSRC that were produced by the Division in response to Respondents' requests under *Brady v. Maryland*, 373 U.S. 83 (1963), and Commission Rule of Practice 230; (2) Respondents Exhibits 673 through 676, which constitute declarations by counsel of record in this proceeding concerning the productions to and by the

CSRC's assistance in obtaining two sets of workpapers from Respondents. These requests for assistance were consistent with the SEC's longstanding practice of seeking assistance from other foreign regulators in obtaining documents located abroad and the express provisions of Section 106(f)² regarding alternative means of production.

The Division has complained about the timing of the CSRC's response to these requests for assistance, and had these proceedings instituted largely on that basis. But these requests to the CSRC for audit workpapers were unprecedented in China, as the CSRC had never produced audit workpapers to any foreign regulator and the SEC had never before sought the CSRC's assistance in obtaining audit workpapers. *See, e.g.*, Respondents Post-Hearing Brief at 67; [REDACTED]

[REDACTED] Thus, in response to these and other requests (including a Commission request for DTTC's workpapers concerning Longtop Financial Technologies Ltd. ("Longtop")), the CSRC established a screening and document production process that was approved by the State Council of China in February 2013. Among other things, these procedures provide for the CSRC to coordinate with relevant stakeholders in the Chinese government, and to produce requested workpapers to the SEC, PCAOB, and other foreign regulators.

Pursuant to these procedures, the CSRC provided specific instructions to Respondents concerning the proper means for readying their workpapers for production, including screening

² Section 106(f) states: "Notwithstanding any other provisions of this section, the staff of the Commission or the [PCAOB] may allow a foreign public accounting firm that is subject to this section to meet production obligations under this section through alternate means, such as through foreign counterparts of the Commission or the Board." 15 U.S.C. § 7216(f).

them for State Secrets. Respondents Post-Hearing Brief at 64-66. Respondents invested substantial resources in reviewing these audit workpapers and related documents, completing their part of the screening process, and producing the requested audit workpapers and related documents to the CSRC. Following that process, the CSRC has produced to the SEC and/or PCAOB at least three sets of the workpapers at issue here—including the only two requested before this proceeding. Against this backdrop (and despite arguing in this proceeding that it would be a “waste of time” to seek further assistance from the CSRC), [REDACTED]

[REDACTED] Respondents have produced to the CSRC all of the workpapers the SEC has sought in these post-hearing requests for assistance, and in turn the documents are on the verge of being produced to the SEC.

The production of these workpapers by the CSRC to the SEC and/or PCAOB goes to the very core of this case. And, when Respondents learned that the CSRC was producing documents to the SEC, it sought to inform the ALJ of that fact. On November 21, 2013, Respondents filed a Motion to Supplement the Record, seeking the admission of evidence that the CSRC in fact had produced to the SEC documents at issue in this very matter. On December 6, 2013, the ALJ (in a different decision) stated that he would rule on that motion “shortly.” And, in the meantime, throughout December 2013 and January 2014, Respondents learned that *additional* documents had been produced by the CSRC to the SEC.

Some *two months* after being informed of these developments, the ALJ issued his Initial Decision. But despite finding that evidence of such developments is “potentially exculpatory,” the ALJ failed to consider it on the grounds that he “simply cannot evaluate the relevance and weight of such evidence without hearing from live witnesses....” Initial Decision at 110. As a result, the entire Initial Decision is predicated on the fiction that workpapers that are

in the hands of the SEC have not been produced and the CSRC is not actively assisting the SEC at this very moment. *See, e.g., id.* at 36 (holding that “[i]nvestigators still do not have DTTC’s Client G audit work papers”).

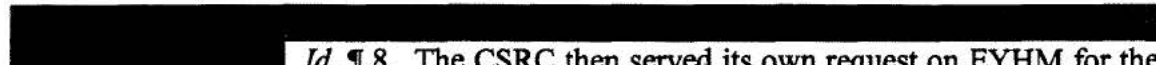
The Initial Decision instead proposes that the “better approach in this situation is for the parties to petition the Commission to adduce additional evidence if the matter is appealed.” *Id.* at 110. Accordingly, Respondents now seek leave under Rule 452 to offer the Supplemental Evidence into the record.

The Supplemental Evidence will demonstrate, *inter alia*, the following facts:

- **DTTC:** The CSRC has now produced directly to the SEC workpapers relating to DTTC Client A and Client G—the *only* workpapers at issue in this proceeding that the SEC actually requested from the CSRC prior to the conclusion of the hearing below, and the entirety of workpapers relating to DTTC. *See* Respondents Ex. 673 (Gordon Decl.). The Client G production, received by the SEC on October 30, 2013, comprised five boxes of paper documents, as well as an electronic storage device. *Id.* ¶¶ 6-8. The DTTC Client A production consisted of eight boxes of documents and an electronic storage device and was received by the SEC on or about the week of November 4, 2013. *Id.* ¶¶ 4-5.

In addition, in July 2013, the CSRC produced directly to the SEC requested audit workpapers and related documents regarding another of DTTC’s former audit clients, Longtop. *Id.* ¶¶ 9-11; Respondents Ex. 677. This production consisted of over 200,000 pages of documents. *Id.* In January 2014, the SEC agreed to dismiss a subpoena enforcement action relating to the Longtop documents “[i]n light of the substantial volume of documents produced” and “the cooperation that the CSRC . . . provided to the SEC.” *Id.* .

- **EYHM:** On or before October 16, 2013, the CSRC produced the EYHM Client C workpapers to the PCAOB, which comprised four boxes of documents and other materials. *See* Respondents Ex. 674 ¶¶ 3-7 (Martin Decl.). The PCAOB in turn made those documents immediately available to the SEC, which has confirmed it is in possession of those documents. *Id.* ¶ 4.

 *Id.* ¶ 8. The CSRC then served its own request on EYHM for the Client B workpapers on October 15, 2013. *Id.* On November 18, 2013, EYHM completed its screening of the requested documents for protected state secrets, as required under applicable Chinese law, and produced the workpapers—comprising two boxes of documents—to the CSRC for production to the SEC. *Id.* ¶¶ 9-10; Respondents Ex. 674, Ex. 1.

- KPMG Huazhen: KPMG Huazhen completed its review of the Client D and Client F workpapers and tendered them to the CSRC on October 8 and December 30, 2013, respectively, for production to the PCAOB. *See* Respondents Ex. 675 ¶¶ 4-8 (Nagy Decl.). Pursuant to the terms of the May 24, 2013 Memorandum of Understanding on Enforcement Cooperation with the CSRC and China’s Ministry of Finance (the “MOU”), the SEC is entitled to access copies of these documents immediately upon receipt by the PCAOB.

To Respondents’ knowledge, neither the PCAOB nor the SEC has ever issued a request to the CSRC for KPMG Huazhen’s Client E workpapers. In fact, the Division recently indicated that it currently does not plan to request the Client E workpapers through the CSRC. *See id.* ¶ 10.

- PwC Shanghai: [REDACTED] The CSRC then served a request on PwC Shanghai for documents relating to Client I on October 15, 2013. Respondents Ex. 676 ¶ 3 (Flynn Decl.). PwC completed its review of the Client I documents—comprising fifteen boxes and ninety-five discs—and provided them to the CSRC on November 28, 2013 for production to the SEC. *Id.* ¶¶ 4-6.

To Respondents’ knowledge, neither the PCAOB nor the SEC has made a request to the CSRC for PwC Shanghai’s Client H workpapers.

ARGUMENT

The Supplemental Evidence should have been considered by the ALJ before issuing the Initial Decision. In any case, fairness demands admission of the Supplemental Evidence at this stage of the proceeding. Rule 452 allows the introduction of new evidence at any time prior to the Commission’s decision if (1) it is material; and (2) there are reasonable grounds for failure to adduce the evidence earlier in the proceeding. That standard is clearly met here.

First, the Supplemental Evidence is not just “material,” it goes to the very core of this proceeding. The Division’s purported inability to obtain the requested audit workpapers was the entire premise upon which the Division’s case rested. *See, e.g.*, DTTC Client A OIP ¶ 12 (“Commission staff does not have the audit workpapers and other relevant documents sought in the Sarbanes-Oxley Section 106 request.”); Omnibus OIP ¶ 18 (“[T]he Commission does not

have possession of the audit workpapers and other relevant documents sought in any of the Section 106 requests.”). Now that it is in possession of at least three sets of workpapers (including all of those requested from DTTC) and the CSRC is actively preparing the production of the remaining workpapers [REDACTED], there is no longer any justification or basis for the Division to maintain this action against Respondents.

Indeed, the ALJ and both parties have acknowledged that the Supplemental Evidence is central to this proceeding, and, at minimum, “material.” Throughout the hearing, the ALJ repeatedly stated that any production of workpapers by the CSRC would be “relevant” to Respondents’ defenses, and instructed the Division to treat such evidence as “*Brady* material.” See, e.g., Tr. 2319-20, 2693-94. And the Initial Decision specifically characterized “the evidence [Respondents] seek to add” as “potentially exculpatory,” but nonetheless rejected its admission. Initial Decision at 110. Thus, despite (unfounded) procedural qualms over the introduction of the Supplemental Evidence offered two months prior to issuing the Initial Decision, it is clear that the ALJ himself views it as at least “material” and properly adduced before the Commission pursuant to Rule 452.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Indeed, senior SEC personnel reiterated this exact position to the CSRC in the midst of the hearing in this matter. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] And when it sought a stay in the DTTC proceeding to continue negotiations with the CSRC, the Division itself stated:

If these renewed negotiations can develop a viable alternative means by which the SEC can obtain audit workpapers for Client A, it would have a significant impact on the appropriate resolution of this case. Indeed, if Commission staff is able to obtain a complete set of DTTC's audit workpapers for Client A under satisfactory conditions from the CSRC through these renewed negotiations, the Division *would likely seek to dismiss the instant OIP.*

Division's Unopposed Mot. for Stay at 3 (emphasis added).

Having acknowledged the legal significance of such events, the Division devoted pages of its briefs and numerous witnesses to its purported inability to obtain the workpapers at issue from the CSRC (which, it argued, left the Division with no alternative but to obtain the documents directly from Respondents—even if that meant requiring Respondents to violate Chinese law on Chinese soil and expose themselves to severe sanctions in China). Throughout the hearing, the Division claimed that the Chinese government prevented the SEC's access to the requested work papers, "effectuat[ing] a total blockade against the SEC," and that seeking any additional workpapers from the CSRC would be a "waste of [the Division's] time." *See, e.g., ENF Post-Hearing Brief at 41, 84.* The Division's claims were inaccurate at the time of the hearing, and the Supplemental Evidence proves that the Division's arguments are wrong now. The Division is currently in possession of at least three sets of the requested workpapers, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

These recent productions demonstrate clear alternative means for obtaining the

requested workpapers, which is legally dispositive of this case. Here, the Staff invoked Section 106(f) and pursued such “alternate means” by requesting the audit workpapers from the CSRC, and that process worked: the Staff has received the DTTC Client A, Client G, and Client C workpapers from the CSRC. The Division cannot obtain the documents through “alternate means” under Section 106(f) but nonetheless punish foreign firms for not producing documents directly to the Division. *See* Respondents’ Petition for Review of ALJ’s Initial Decision, Section I.D. The Section 106(f) alternative has been successful here, and thus the obligations under Section 106 concerning DTTC and EYHM’s Client C have been satisfied. That alone is dispositive of this proceeding as to DTTC and the request for EYHM’s Client C workpapers.

The Supplemental Evidence Respondents seek to introduce undermines the Initial Decision’s analysis of Respondents’ good faith and proves that Respondents were right to expect that a regulator-to-regulator solution would make production of the workpapers possible. *See id.* Section I.B. Similarly, the CSRC’s productions make clear that the CSRC is an effective “alternate means” by which the SEC can obtain workpapers—removing any doubt that the Section 106 requests at issue in this proceeding are unenforceable in the first instance. *Id.* Finally, the CSRC’s productions certainly require a re-assessment of the sanctions proposed in the Initial Decision. Neither the *Steadman* factors nor the broader public interest supports a six-month suspension of all the major audit firms from China when the SEC is in possession of requested workpapers and the CSRC is actively assisting several SEC investigations.

Second, there are reasonable grounds for why the Supplemental Evidence was not previously adduced: the productions (and other developments) occurred after the close of the hearing. That alone is sufficient to support its admission now. *See In re Optionspress, Inc.*, Exchange Act Rel. No. 70698, 2013 WL 5635987, *3 (Oct. 16, 2013) (pursuant to Rule 452,

admitting additional evidence that became available after the initial decision issued); *In re Vindman*, Exchange Act Rel. No. 53654, 2006 WL 985308, *9 n.51 (Apr. 14, 2006) (admitting evidence that was not available until after the conclusion of the proceeding before the ALJ).

Further, after the close of the hearing, Respondents diligently continued to seek information about the status of CSRC cooperation with and productions to the SEC, including through requests under *Brady v. Maryland*, 373 U.S. 83 (1963), and Commission Rule of Practice 230. After the CSRC productions occurred, Respondents made every effort to put this critical evidence before the ALJ, but those efforts failed. Specifically, Respondents filed a motion to supplement the record on November 20, 2013—more than two months before the Initial Decision was filed. In addition, on December 3, 2013, Respondents moved for summary adjudication on the grounds that the CSRC productions and other substantial progress disposed of the proceeding in its entirety. However, the ALJ (incorrectly) held that the motions for summary adjudication after the close of the hearing were procedurally improper, and refused to admit any of the Supplemental Evidence proffered by Respondents after the close of the record on September 18, 2013. The ALJ's rejection of the Supplemental Evidence stands in sharp contrast to a number of cases that have accepted evidence after the close of the hearing but before an initial decision. *See* Respondents' Motion to Supplement the Record at 7.

A fair and complete adjudication of this proceeding requires consideration of this critical evidence. The Initial Decision—which itself recognizes the Supplemental Evidence as “potentially exculpatory”—is erroneously based on a nonexistent and factually inaccurate scenario in which no sets of audit workpapers have been produced and the CSRC is not actively cooperating with the SEC. This cannot stand. The suspension of all the major audit firms from the world's second largest economy—with its attendant implications for U.S. foreign policy and

international capital markets—must not take effect when the factual record omitted critical exculpatory evidence.

CONCLUSION

For these reasons, Respondents respectfully request that the Commission grant Respondents' Motion for Leave to Adduce Additional Evidence and supplement the existing record by admitting Respondents Exhibits 654 through 677 into evidence.

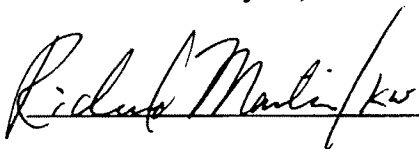
Dated: February 12, 2014

Respectfully submitted,

(Signatures on next page)

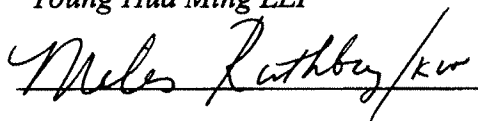
Dated: February 12, 2014

Respectfully submitted,



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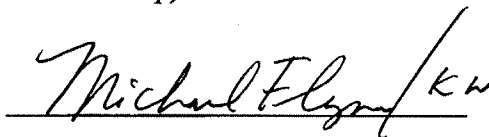
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Respondents Exhibits 654-672

Filed Under Seal

Respondents Exhibit 673

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

In the Matter of	:	
	:	
BDO China Dahua CPA Co., Ltd.;	:	
Ernst & Young Hua Ming LLP;	:	
KPMG Huazhen (Special General	:	
Partnership);	:	The Honorable Cameron Elliot,
Deloitte Touche Tohmatsu Certified	:	Administrative Law Judge
Public Accountants Ltd.;	:	
PricewaterhouseCoopers Zhong Tian	:	
CPAs Limited,	:	
	:	
Respondents.	:	

DECLARATION OF DAVID A. GORDON

I, David A. Gordon, declare:

1. I am over the age of 18 years and a partner of Sidley Austin LLP (“Sidley”), which serves as co-counsel to Respondent Deloitte Touche Tohmatsu Certified Public Accountants Limited (“DTTC”) in this matter. I have personal knowledge of the facts set forth in this declaration. I submit this declaration in support of Respondents’ Motion for Leave to Adduce Additional Evidence Pursuant to Commission Rule of Practice 452.

2. The above-captioned matter involves requests for DTTC documents relating to two of DTTC’s audit clients, referred to in this proceeding as DTTC Client A and Client G.

3. As set forth below, I understand that the China Securities Regulatory Commission (“CSRC”) produced DTTC workpapers and related documents regarding both DTTC Client A and Client G to the United States Securities and Exchange Commission (“SEC”) in October and November 2013.

DTTC Client A

4. During the hearing, DTTC personnel testified that DTTC provided documents related to DTTC Client A to the CSRC in May 2013, with the expectation that those documents would be provided by the CSRC to the SEC. (*See* Tr. 1636-37 (Testimony of Richard George); *see also* Tr. 1792-93 (Testimony of Chiu Chi Man).)

5. Based on correspondence produced by the Division, I understand that the SEC received the DTTC Client A production, consisting of eight boxes of documents and an electronic storage device, on or about the week of November 4, 2013.

Client G

6. During the hearing, DTTC personnel testified that DTTC provided documents related to Client G to the CSRC in July 2013 with the expectation that those documents would be provided by the CSRC to the SEC. (*See* Tr. 1637 (Testimony of Richard George); *see also* Tr. 1793 (Testimony of Chiu Chi Man).)

7. On October 25, 2013, I was informed by DTTC that the CSRC had received UPS labels for Client G workpapers and the CSRC would be sending those workpapers to the SEC at the start of the week of October 28, 2013.

8. [REDACTED], I understand that the SEC received the Client G production on October 30, 2013, consisting of five boxes of paper documents and an electronic storage device.

Longtop


9. On January 27, 2014, the SEC and DTTC filed a joint motion to dismiss, without prejudice, an action brought by the SEC in the U.S. District Court for the District of Columbia seeking to compel DTTC to comply with an administrative subpoena issued by the Commission in connection with an investigation styled *In the Matter of Longtop Financial Technologies Limited*, SEC File No. HO-11698. *SEC v. Deloitte Touche Tohmatsu CPA Ltd.*, 11 Misc. 512 GK.

10. The motion reflected that the CSRC has produced more than 200,000 pages of audit workpapers and related documents regarding Longtop to the SEC on or about July 15, 2013.

11. The SEC concluded, “[i]n light of the substantial volume of documents produced” and “the cooperation that the CSRC has recently provide to the SEC with respect to Longtop,” that there is currently “no need for judicial relief” with respect to the relevant subpoena. Accordingly, the district court granted the joint motion and dismissed the action on January 28, 2014.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 11, 2014 at Chicago, Illinois.


David A. Gordon

Respondents Exhibit 674

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
FILE NOS. 3-14872, 3-15116

In the Matter of

BDO CHINA DAHUA CPA CO., LTD.;

ERNST & YOUNG HUA MING LLP;

**KPMG HUAZHEN (SPECIAL
GENERAL PARTNERSHIP);**

**DELOITTE TOUCHE TOHMATSU
CERTIFIED PUBLIC
ACCOUNTANTS LTD.;**

**PRICEWATERHOUSECOOPERS
ZHONG TIAN CPAS LIMITED**

RESPONDENTS.

DECLARATION OF RICHARD A. MARTIN

Pursuant to 28 U.S.C. §1746, I, Richard A. Martin, declare under penalty of perjury that the following is true and correct:

1. I am a member of the firm Orrick, Herrington & Sutcliffe, LLP. Our firm represents Ernst & Young Hua Ming LLP ("EYHM") in this proceeding, and I submit this declaration in support of the Respondents' Motion for Leave to Adduce Additional Evidence Pursuant to Commission Rule of Practice 452 ("Motion to Adduce"). This declaration is based on my personal knowledge, except where indicated that I have been advised of certain facts by EYHM.
2. As set forth in the Motion to Adduce, the Securities and Exchange Commission (the "SEC" or the "Commission") sought production of two sets of work papers from EYHM; those relating to Client C and Client B. Although the Commission did not make a request for the

production of either set of work papers to the China Securities Regulatory Commission (the "CSRC") prior to or during the hearing in this matter, [REDACTED]

3. Client C. As the evidence at the hearing demonstrated, pursuant to the recently executed Memorandum of Understanding ("MOU") between the PCAOB, the CSRC and the China Ministry of Finance, (Rx. 274), the PCAOB requested that the CSRC produce the work papers of Client C. (See Rx. 632, 632A). The CSRC presented that request to EYHM on July 3, 2013 (Rx. 632, 632A; Testimony of A. Leung at 1477). On July 22, EYHM produced to the CSRC 4 boxes of documents and other materials, as set forth in the receipt signed by a representative of the CSRC on that date. (Rx. 649, 649A; testimony of A. Leung at 1580-81).

4. On October 17, 2013, representatives of the PCAOB informed me that the PCAOB had received 4 boxes of documents and other materials from the CSRC relating to EYHM's audit work on Client C. I also was informed by those representatives that the documents corresponded with the description of the materials submitted to the CSRC that EYHM had introduced into evidence at the hearing (Rx. 649, 649A) a copy of which was provided to the PCAOB at its request. During the same conversation with the PCAOB representatives, they stated that they had informed relevant personnel at the Division of Enforcement of the SEC (the "Division") of the delivery of the Client C work papers and were "working with" the Division on the matter.

5. I spoke with David Mendel, Division counsel on November 1, 2013. Mr. Mendel would not confirm whether the Division had received the Client C work papers from the PCAOB, although he acknowledged that the PCAOB had informed him that it had received those documents and materials from the CSRC, and acknowledged that the Commission could obtain those documents from the PCAOB pursuant to Section 105 of the Sarbanes-Oxley Act.

6. Subsequently, on November 25, 2013, Mr. Mendel informed me that the Division had received the Client C work papers from the PCAOB.

7. Accordingly, the Client C work papers have been in the US and in the possession of the PCAOB and available to the Division, had it chosen to request them, since October 16, 2013, and have been in the direct possession of the Division since November 25, 2013.

8. Client B. [REDACTED]

[REDACTED] the CSRC requested that EYHM produce work papers and other documents to that agency for its production to the Commission in a notice delivered to EYHM on October 15, 2013.

9. Immediately upon receipt of the request from the CSRC, EYHM began the process of producing the materials that the CSRC requested for delivery to the Commission. We have been advised by our client that on November 18, 2013, EYHM delivered two boxes of work papers and other materials corresponding to the request of the CSRC. EYHM obtained a receipt from the CSRC at the time of the delivery of the Client B work papers and other materials identifying those materials. A true and correct copy of the receipt with a certified translation is attached as Exhibit 1.

10. EYHM has advised that it anticipates that, in producing the Client B documents to the Commission, the CSRC will follow the procedures it utilized in connection with its production of the Client C materials to the PCAOB.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on: February 11, 2014

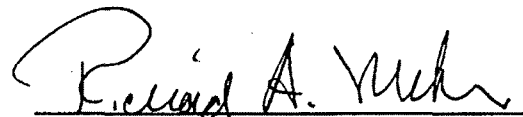

Richard A. Martin

Exhibit 1



GEOTEXT
Translations, Inc.

STATE OF NEW YORK)
)
)
COUNTY OF NEW YORK)

ss

CERTIFICATION

This is to certify that the attached translation is, to the best of my knowledge and belief, a true and accurate translation from Chinese into English of the attached Delivery and receipt for EYHM's submission of documents relating to [REDACTED]

Ken Hetzel, Project Manager
Geotext Translations, Inc.

Sworn to and subscribed before me

this 19th day of November, 2013.

LYNDA GREEN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01GR6205401
Qualified in New York County
My Commission Expires May 11, 2017

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安永华明会计师事务所(特殊普通合伙)
中国北京市东城区东长安街1号
东方广场安永大楼16层
邮政编码: 100738

Tel 电话: +86 10 5815 3000
Fax 传真: +86 10 8518 8298
ey.com

Delivery and receipt for EYHM's submission of documents relating to [REDACTED]

In accordance with the *Introductory Letter on Investigation from the China Securities Regulatory Commission* and the relevant document request on October 15, 2013 and numbered "2103," EYHM (Special General Partnership) has submitted to the CSRC the following working papers and other relevant documents (hereinafter "related documents") relating to the audit of [REDACTED] Inc. [REDACTED] as well as the report on screening for issues involving confidentiality and the legal opinion.

1. Submission of 3 relevant reports, the specifics of which are:

- (1) Work report on screening of the [REDACTED] related documents for issues involving confidentiality (12 pages total)
- (2) EYHM's report on the screening of the [REDACTED] related documents for issues involving confidentiality (1 page total)
- (3) Fangda's legal opinion on the screening of the [REDACTED] related documents for issues involving confidentiality (2 pages total)

2. Delivery of 2 boxes of hard copy documentation totaling 5,424 pages in 28 volumes, and one 87-page document list.

3. 2 CDs of electronic document files, including electronic working papers (GAMx) and e-mails and preserved electronic files of personnel in the engagement team, as well as one document list of electronic working papers GAMx (13 pages) and one document list of e-mails and preserved electronic documents of personnel in the engagement team (1 page).

Documents delivered by: [signature] Wang Hong

Date: November 18, 2013

Documents received by: [signature]
SRC Beijing Bureau Investigation Department
[signature] Zhang Weihang
SRC Department of International Cooperation
[signature] Yuan Yuzhen

Date: November 18, 2013

November 18, 2013

EYHM (Special General Partnership) Representing EYHM
November 18, 2013

[seal:] EYHM (Special General Partnership)
1101030037404



Ernst & Young Hua Ming LLP
Level 16, Ernst & Young Tower
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No. 1 East Chang An Avenue
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安永华明提供艾瑞泰克相关文件交接单

[REDACTED]

1. 提交相关报告3份, 具体为:

(1) [REDACTED]

2. 提供纸质文件资料两箱共28本, 总计5424页, 并附87页的文件清单一份。

3. 电子文档为光盘两张, 包括电子工作底稿(GAMx)及项目组人员的电子邮件及所保存的相关电子文档, 并附电子工作底稿GAMx文件清单一份(13页)及项目组人员的电子邮件及所保存的相关电子文档清单一份(1页)。

文件送达人: [Signature] 日期: 2013. 11. 18

文件接收人: [Signature] 日期: 2013

证监会国际部李玉珍

安永华明会计师事务所(特殊普通合伙) 代理安永华明会计师事务所



2013年11月18日

Respondents Exhibit 675

**UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING
FILE NOS. 3-14872, 3-15116**

In the Matter of

**BDO CHINA DAHUA CPA CO., LTD.;
ERNST & YOUNG HUA MING LLP;
KPMG HUAZHEN (SPECIAL
GENERAL PARTNERSHIP);
DELOITTE TOUCHE TOHMATSU
CERTIFIED PUBLIC
ACCOUNTANTS LTD.; AND
PRICEWATERHOUSECOOPERS
ZHONG TIAN CPAs LIMITED,**

RESPONDENTS

DECLARATION OF TIMOTHY B. NAGY

I, Timothy B. Nagy, declare:

1. I submit the following declaration in support of the Respondents' Motion for Leave to Adduce Additional Evidence Pursuant to Commission Rule of Practice 452 in the above-captioned matter.
2. I am a counsel with the law firm of Sidley Austin LLP, attorneys for KPMG Huazhen (Special General Partnership) ("KPMG Huazhen").
3. RX 650/650A contains a copy of a request to KPMG Huazhen from the China Securities Regulatory Commission ("CSRC") dated July 19, 2013, requesting work papers and other relevant materials related to the clients identified in this proceeding as Client D and Client F.
4. KPMG Huazhen has advised that it delivered to the CSRC on or about August 30, 2013, the first phase of work papers and other relevant materials related to Client D.
5. KPMG Huazhen has advised that it delivered to the CSRC on or about October 8, 2013, the remaining work papers and other relevant materials related to Client D that were requested by the CSRC.

6. Attached as Exhibit 1 are a copy and a certified translation of the *KPMG Huazhen [Client D] Document Transfer List* dated October 8, 2013.

7. KPMG Huazhen has advised that it delivered to the CSRC on or about December 30, 2013, the work papers and other relevant materials related to Client F that were requested by the CSRC.

8. Attached as Exhibit 2 are a copy and a certified translation of the *KPMG Huazhen [Client F] Document Transfer List* dated December 30, 2013.

9. To my knowledge, to this date, neither the SEC nor the Public Company Accounting Oversight Board ("PCAOB") has requested the CSRC's assistance in obtaining documents related to Client E.

10. By letter dated February 4, 2014, the SEC's Division of Enforcement indicated, "At this juncture, the staff does not have plans to request [the Client E work papers] through the CSRC." Attached as Exhibit 3 is a copy of the letter.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.

Executed on: February 11, 2014

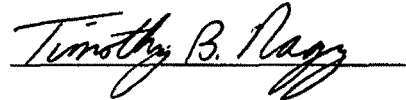

Timothy B. Nagy

Exhibit 1



GEOTEXT
Translations, Inc.

STATE OF NEW YORK)
)
) ss
COUNTY OF NEW YORK)

CERTIFICATION

This is to certify that the attached translation is, to the best of my knowledge and belief, a true and accurate translation from Chinese into English of the attached KPMG Huazhen [REDACTED]

[REDACTED] Document Transfer List, dated October 8, 2013.

Ken Hetzel, Senior Project Manager
Geotext Translations, Inc.

Sworn to and subscribed before me
this 14th day of November, 20 13.

KRISTEN DUFFY
NOTARY PUBLIC-STATE OF NEW YORK
No. 01DU6121852
Qualified in Queens County
My Commission Expires January 31, 2017

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RESPONDENTS EXHIBIT 675

KPMG Huazhen [REDACTED] Document Transfer List

According to the requirements of the *China Securities Regulatory Commission Inspectors Exclusive Introduction Letter* (No. 2083), our office submits to the commission the working papers below and other relevant information (“**Relevant Documents**”) related to the second stage (“**Final Stage**”) of [REDACTED]
[REDACTED]

1. 10 copies of reports requested by the commission;
2. 2 discs of electronic documents placed in box No.1, the content are e-mails under sections III.2.h, III.2.i, and III.2.j related documents;
3. 38 boxes of paper documents, of which there are a total of 516 files, more specifically other related documents excluding the related e-mails mentioned above.

Documents sent by: [signature]

Date: *October 8, 2013*

Documents received by: [signature]

Date: *October 8, 2013*

KPMG Huazhen
(Special General Partnership)
October 8, 2013
[seal:] KPMG Huazhen
(Special General Partnership)

[REDACTED]

根据《中国证券监督管理委员会稽查专用介绍信》(编号2083)的要求,本所向证监会提交以下中国综合能源公司("综合能源")第二阶段(最终阶段)的有

[REDACTED]

1. 证监会要求的相关报告 10 份;
2. 电子文档为光盘 2 张, 放于第 1 号箱, 内容为 III.2.h, III.2.i 及 III.2.j 部分相关文件项下的电子邮件;
3. 纸质文件资料共 38 箱, 其中共有 516 册文件, 具体为除上述电子邮件以外的其他相关文件。

文件送达人:

张彦齐

文件接收人:

范维博

日期: 2013.10.8

日期: 2013.10.8



Exhibit 2

KPMG Huazhen [REDACTED] Document Transfer List

In accordance with the requirements of the *China Securities Regulatory Commission Special Reference Letters for Inspections* (No. 2083), our office submits to the Commission the following working papers and other relevant documents ("Relevant Documents") relating to [REDACTED]

1. 9 relevant reports requested by the commission, including 9 discs placed in box no. 1;
2. 15 boxes of paper documents, including a total of 208 files, the contents are documents relevant to the III.2.a and III.2.c portion.
3. 15 discs of electronic documents, placed in box 1, specifically documents relevant to portions other than III.2.a and III.2.c as described above.

Documents sent by: KPMG Huazhen (Special General Partnership)
Quality and Risk Management Department: [signature:] Zhang Yan Qiao
Date: December 30, 2013

Documents received by: China Securities Regulatory Commission
International Department: [signature:] Li Na on behalf of Fan Ya Ting
Date: December 30, 2013

KPMG Huazhen (Special General Partnership)
December 30, 2013
[seal:] KPMG Huazhen (Special General Partnership)

[REDACTED]

根据《中国证券监督管理委员会稽查专用介绍信》(编号 2083)的要求, 本
所向证监会提交以下有关盛大科技股份有限公司(“盛大科技”)的 [REDACTED]
[REDACTED]

1. 证监会要求的相关报告 9 份, 包括放于第 1 号箱的 9 张光盘;
2. 纸质文件资料共 15 箱, 其中共有 208 册文件, 内容为 III.2.a 及 III.2.c 部分
的相关文件;
3. 电子文档为光盘 15 张, 放于第 1 号箱, 具体为除上述 III.2.a 及 III.2.c 部分
以外的其他相关文件。

文件送达人: 毕马威华振会计师事务所(特殊普通合伙)

质量及风险管理部 张彦春

日期: 2013 年 12 月 30 日

文件接收人: 中国证券监督管理委员会

国际部 范雅婷 (李琳收)

日期: 2013 年 12 月 30 日



Exhibit 3



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 F Street, N.E.
Washington, D.C. 20549-5546

DIVISION OF
ENFORCEMENT

Melissa A. Robertson
Assistant Director
Direct dial: 202.551.4986

February 4, 2014

BY EMAIL

Neal E. Sullivan, Esq.
Sidley Austin LLP
1501 K Street, N.W.
Washington, DC 20005

Re: In the Matter of [REDACTED]

Dear Mr. Sullivan:

This responds to your letter of January 22, 2014, in which you asked whether the SEC plans to make a request to the China Securities Regulatory Commission ("CSRC") with respect to KPMG Huazhen's audit work papers related to [REDACTED]. As you are aware, on February 9, 2012, the SEC issued a request to KPMG Huazhen under Section 106 of the Sarbanes-Oxley Act of 2002 and Section 929J of the Dodd-Frank Wall Street Reform and Consumer Protection Act, for "[a]ll audit work papers and all other documents related to any audit work or interim reviews performed for [REDACTED] for the fiscal year ending December 31, 2010." The SEC's Section 106 request followed our team's other communications, in 2011, to try to obtain the same or similar documents. KPMG Huazhen did not produce the documents as requested.

As Judge Elliot recently found in the administrative proceeding against KPMG Huazhen (and other respondents), KPMG Huazhen's failure to produce the requested documents to the SEC "frustrated" the Division's investigation related to [REDACTED] Initial Decision, at 29. At this juncture, the staff does not have plans to request these documents through the CSRC.

Sincerely,

Melissa A. Robertson

RESPONDENTS EXHIBIT 675

Respondents Exhibit 676

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING

File Nos. 3-14872, 3-15116

----- x
)
In the Matter of)
)
BDO China Dahua CPA Co., Ltd.;)
Ernst & Young Hua Ming LLP;)
KPMG Huazhen (Special General)
Partnership);) The Honorable Cameron Elliot,
Deloitte Touche Tohmatsu Certified) Administrative Law Judge
Public Accountants Ltd.;)
PricewaterhouseCoopers Zhong Tian)
CPAs Limited,)
)
Respondents.)
)
----- x

DECLARATION OF MICHAEL S. FLYNN

Pursuant to 28 U.S.C. § 1746, I, Michael S. Flynn, declare under penalty of perjury that the following is true and correct:

1. I am a partner with the firm of Davis Polk & Wardwell LLP, attorneys for Respondent PricewaterhouseCoopers Zhong Tian CPAs Limited Company ("PwC Shanghai"). I submit this declaration in support of Respondents' Motion for Leave to Adduce Additional Evidence Pursuant to Commission Rule of Practice 452.

2. To my knowledge—and consistent with the evidence adduced at the hearing in this proceeding—the Securities and Exchange Commission (the "Commission") had not as of the time of the hearing made a request to the China Securities Regulatory Commission (the "CSRC") for assistance in connection with PwC Shanghai's never-completed audit work for Clients H or I.

3. On October 15, 2013, PwC Shanghai received a formal request from the CSRC, "commissioned by overseas regulators," for documents relating to Client I. A true and correct copy of the CSRC's request to PwC Shanghai and a certified translation of the request are attached hereto as Exhibit 1. My understanding is that the "overseas regulators" referenced in the CSRC's request are the Commission.

4. Pursuant to the CSRC's request, PwC Shanghai and its outside counsel in China completed the required screening process in accordance with Chinese law and the directives of the CSRC and delivered the requested documents and the necessary certifications under Chinese law to the CSRC.

5. A true and correct copy of a receipt, signed by the CSRC on November 28, 2013 to acknowledge production by PwC Shanghai of the Client I work papers and related materials, and a certified translation of the receipt are attached hereto as Exhibit 2.

6. As shown on the receipt, PwC Shanghai delivered to the CSRC 15 boxes containing hardcopy work papers, 7 discs containing electronic work papers, 79 discs containing electronic documents other than work papers, and 9 discs containing e-mails and attachments.

7. Consistent with the CSRC's approach with respect to other audit firms in China, PwC Shanghai expects that the CSRC is processing the materials in order to obtain the necessary approvals within the Chinese government to provide the documents to the Commission.

8. To my knowledge, to this date, the Commission has not requested the CSRC's assistance in obtaining documents relating to Client H.

Executed on: February 11, 2014


Michael S. Flynn

Exhibit 1



STATE OF NEW YORK)
)
) SS
 COUNTY OF NEW YORK)

CERTIFICATION

This is to certify that the attached translation is, to the best of my knowledge and belief, a true and accurate translation from Chinese into English of the attached China Securities Regulatory Commission Notice of Inquiry No. 2013-1-035.

Jeff Cureton, Managing Editor
 Geotext Translations, Inc.

Sworn to and subscribed before me
 this 14th day of November, 2013.

MORGEN MYRDAL
 NOTARY PUBLIC-STATE OF NEW YORK
 No. 01MY6274933
 Qualified In Kings County
 My Commission Expires January 14, 2017

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 Paris 75 Boulevard Haussmann, F- 75008 Paris, France tel +33.1.42.68.51.47 fax +33.1.77.72.90.25
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RESPONDENTS EXHIBIT 676

China Securities Regulatory Commission

Notice of Inquiry

Serial No.: Shanghai Inquiry No. 2013-1-035

PricewaterhouseCoopers Zhong Tian Accounting Firm:

Having been commissioned by overseas regulators, Our Bureau has determined to gather the following information from Your Firm based on relevant stipulations of the *Securities Law of the People's Republic of China*: 1. All documents, including all work papers, relating to audit reports issued, audit work performed, interim reviews and all other documents relating to all other services provided to [Client I] as of December 31, 2010; 2. All documents relating to [Client I] obtained by Your Firm; 3. All documents related to the resignation of Your Firm as auditor; 4. All communications made between Your Firm and [Client I]. It is requested that you perform classified screening obligations based on relevant laws, regulations, and other requirements, and provide copies of the above-mentioned documents in accordance with requirements within 20 working days after receiving this Notice of Inquiry. Your cooperation is requested.

October 14, 2013

[seal:] China Securities Regulatory Commission, Special Examination Seal (003)

[seal:] PricewaterhouseCoopers Zhong Tian LLP

Law Enforcement Officials (signatures):
Li Nan, Yang Ying
October 15, 2013

Recipient (signature, seal):
Chen Jing
October 15, 2013

(Note: There shall be two copies of this Notice, the law enforcement officials and the recipient shall each retain one copy.)

Stipulations of the *Securities Law of the People's Republic of China* related to Supervision, Inspection and Investigation by the China Securities Regulatory Commission

Article 179 The Securities Regulatory Authority of the State Council shall perform the following tasks during the supervision and management of the securities market: (1) Formulate rules and regulations for the supervision and management of the securities market in accordance with the law, and perform examination and approval or approval authority in accordance with the law; (2) Supervise and manage the issuance, market listing, transactions, registration, custody and settling of securities in accordance with the law; (3) Supervise and manage the securities business activities of securities issuers, market listed companies, securities companies, securities investment capital management companies, securities service organizations, securities exchanges, and securities registration and settlement organizations in accordance with the law; (4) Formulate qualification standards and rules of conduct for personnel engaged in securities business and perform supervision and implementation in accordance with the law; (5) Supervise and examine the public release of information related to the issuance, market listing and trading of securities in accordance with the law; (6) Guide and supervise the activities of the Securities Industry Association in accordance with the law; (7) Investigate actions that violate securities market regulatory laws as well as administrative laws and regulations in accordance with the law; (8) Other duties stipulated by laws and administrative laws and regulations. The Securities Regulatory Authority of the State Council can establish regulatory cooperation mechanisms with the securities regulatory authorities of other nations and regions so as to implement cross-border supervision and management.

Article 180 The Securities Regulatory Authority of the State Council performs its duties in accordance with the law, and it has the right to use the following measures: (1) Carry out on-site inspections of securities issuers, market listed companies, securities companies, securities investment capital management companies, securities service organizations, securities exchanges, and securities registration and settlement organizations; (2) Enter sites suspected of engaging in illegal actions so as to carry out investigations and collection of evidence; (3) Initiate inquiries of persons involved as well as work units and individuals related to an investigated incident, and require them to explain matters related to the investigated incident; (4) Consult and reproduce property rights registrations, communications records, and other materials related to an investigated incident; (5) Consult and reproduce the securities trade records, registration transfer records, financial and accounting materials as well as other related documents and materials of persons involved and work units and individuals connected to an investigated incident; documents and materials that can possibly be transferred, concealed or destroyed can be sealed; (6) Inquire into the capital accounts, securities accounts and bank accounts of work units and individuals related to an investigated incident; when there is evidence that proves there has been or possibly was a transfer or concealment of illegal funds, securities and other property or the concealment, forgery or destruction of important evidence, these may be frozen or sealed after approval by a person in charge at the Securities Regulatory Authority of the State Council; (7) When investigating and handling major illegal securities actions related to the securities market, e.g. insider trading, etc., securities trading by persons involved with an investigated incident may be restricted after approval by a person in charge at the Securities Regulatory Authority of the State Council, but the period of such a restriction may not exceed 15 trading days; this may be extended an additional 15 trading days for complicated cases.

Article 181 The Securities Regulatory Authority of the State Council performs its duties in accordance with the law, it carries out supervision, inspections or investigations, the number of personnel carrying out supervision, inspections and investigations may not be less than two, and legal evidence and notices of supervision, inspections or investigations must be produced. When the number of personnel carrying out supervision, inspections and investigations is less than two or legal evidence and notices of supervision, inspections or investigations are not produced, the unit carrying out inspection and investigation has the right of refusal.

Article 182 The operating personnel of the Securities Regulatory Authority of the State Council must be dedicated to their duties, manage affairs in accordance with the law, be fair and honest, they may not use their positions to facilitate inappropriate personal gain, and they may not knowingly disclose commercial secrets of relevant work units and individuals.

Article 183 The Securities Regulatory Authority of the State Council performs its duties in accordance with the law, it must cooperate with investigated work units and individuals, it should provide related documents and materials strictly based on the facts, and it may not reject, obstruct or conceal in the course of their duties.

When there is a refusal to cooperate with inspections and investigations, administrative and criminal liabilities of relevant personnel can be pursued based on the *Notice for Strengthening Law Enforcement Collaboration by the China Securities Regulatory Commission and Ministry of Public Security in Cracking Down on Securities and Futures Crimes*.

中国证券监督管理委员会
调查通知书

编号：沪调查通字 2013-1-045号

普华永道中天会计师事务所：

因受境外监管机构委托，根据《中华人民共和国证券法》的有关规定，我局决定调取贵所以下资料：1、截止2010年12月31日，贵所就 [REDACTED]（以下简称 [REDACTED]）出具审计报告、对其进行审计和中期审查以及提供所有其他服务相关的所有文件，包括所有审计工作底稿；2、贵所获得的与 [REDACTED] 相关的所有文件；3、与贵所辞任相关的所有文件；4、贵所与 [REDACTED] 相关的所有沟通信息。请你根据相关法律法规等要求履行涉密筛查义务，并于收到本调查通知书之日起20个工作日内按要求提供上述文件的副本，请予以配合。

执法人员（签字）：

李楠、杨桦

2013年10月15日

（注：本通知书一式二份，由执法人员和接收人各持一份。）



《中华人民共和国证券法》对中国证监会监督检查、调查的有关规定

第一百七十九条 国务院证券监督管理机构在对证券市场实施监督管理中履行下列职责：（一）依法制定有关证券市场监督管理的规章、规则，并依法行使审批或者核准权；（二）依法对证券的发行、上市、交易、登记、存管、结算，进行监督管理；（三）依法对证券发行人、上市公司、证券公司、证券投资基金管理公司、证券服务机构、证券交易所、证券登记结算机构的证券业务活动，进行监督管理；（四）依法制定从事证券业务人员的资格标准和行为准则，并监督实施；（五）依法监督检查证券发行、上市和交易的信息公开情况；（六）依法对证券业协会的活动进行指导和监督；（七）依法对违反证券市场监督管理法律、行政法规的行为进行查处；（八）法律、行政法规规定的其他职责。国务院证券监督管理机构可以和其他国家或者地区的证券监督管理机构建立监督管理合作机制，实施跨境监督管理。

第一百八十条 国务院证券监督管理机构依法履行职责，有权采取下列措施：（一）对证券发行人、上市公司、证券公司、证券投资基金管理公司、证券服务机构、证券交易所、证券登记结算机构进行现场检查；（二）进入涉嫌违法行为发生场所调查取证；（三）询问当事人和与被调查事件有关的单位和个人，要求其对与被调查事件有关的事项作出说明；（四）查阅、复制与被调查事件有关的财产权登记、通讯记录等资料；（五）查阅、复制当事人和与被调查事件有关的单位和个人的证券交易记录、登记过户记录、财务会计资料及其他相关文件和资料；对可能被转移、隐匿或者毁损的文件和资料，可以予以封存；（六）查询当事人和与被调查事件有关的单位和个人的资金账户、证券账户和银行账户；对有证据证明已经或者可能转移或者隐匿违法资金、证券等涉案财产或者隐匿、伪造、毁损重要证据的，经国务院证券监督管理机构主要负责人批准，可以冻结或者查封；（七）在调查操纵证券市场、内幕交易等重大证券违法行为时，经国务院证券监督管理机构主要负责人批准，可以限制被调查事件当事人的证券买卖，但限制的期限不得超过十五个交易日；案情复杂的，可以延长十五个交易日。

第一百八十一条 国务院证券监督管理机构依法履行职责，进行监督检查或者调查，其监督检查、调查的人员不得少于二人，并应当出示合法证件和监督检查、调查通知书。监督检查、调查的人员少于二人或者未出示合法证件和监督检查、调查通知书的，被检查、调查的单位有权拒绝。

第一百八十二条 国务院证券监督管理机构工作人员必须忠于职守，依法办事，公正廉洁，不得利用职务便利牟取不正当利益，不得泄露所知悉的有关单位和个人的商业秘密。

第一百八十三条 国务院证券监督管理机构依法履行职责，被检查、调查的单位和个人应当配合，如实提供有关文件和资料，不得拒绝、阻碍和隐瞒。

对拒不配合检查、调查的，可按照《中国证监会、公安部关于在打击证券期货违法犯罪中加强执法协作的通知》追究相关人员的行政责任和刑事责任。

Exhibit 2



GEOTEXT
Translations, Inc.

STATE OF NEW YORK)
)
) §§
COUNTY OF NEW YORK)

CERTIFICATION

This is to certify that the attached translation is, to the best of my knowledge and belief, a true and accurate translation from Chinese into English of the attached List of Audit Working Papers and Other Documents Relating to the Audit of Client | Submitted by PricewaterhouseCoopers Zhong Tian CPAs Firm to China Securities Regulatory Commission.

Ken Hetzel, Senior Project Manager
Geotext Translations, Inc.

Sworn to and subscribed before me
this 3rd day of December, 2013.

KRISTEN DUFFY
NOTARY PUBLIC-STATE OF NEW YORK.
No. 01DU6121852
Qualified in Queens County
My Commission Expires January 31, 2017

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RESPONDENTS EXHIBIT 676



PWC

List of Audit Working Papers and Other Documents Relating to the Audit of Client I Submitted by PricewaterhouseCoopers Zhong Tian CPAs Firm to China Securities Regulatory Commission

Category	Type of Documents	Documents Submitted to CSRC	Quantity of Documents Submitted to CSRC
Working Papers	Hard copy	Photocopies of audit and review files	15 boxes, 120 volumes
	Electronic	Electronic audit and review files	7 discs
Documents Other than Working Papers	Electronic	Local files on the computers of the project team members at that time	79 discs
	Emails and attachments	Project team members' emails and attachments relating to Client I at that time	8 discs
		In addition, there are 8 emails and attachments which need special technical conditions to open. These 8 documents are stored in a separate disc.	1 disc

Deliverer's representative: [signature]
MA Ke, Senior Manager of Risk and Quality
Management Department of PricewaterhouseCoopers
Zhong Tian

Date of Delivery: November 28, 2013

Recipient's Representative: [signature]
FAN Yating, Inspection Bureau of China Securities
Regulatory Commission

Date of Receipt: November 28, 2013

PricewaterhouseCoopers Zhong Tian CPAs Firm (Special General Partnership)
11F, PricewaterhouseCoopers Center, 2 Corporate Avenue, 202 Hu Bin Road, Huangpu District,
Shanghai, 200021, China
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Respondents Exhibit 677

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

U.S. Securities and Exchange Commission,)	
)	
Petitioner,)	
)	
-v.-)	11 Misc. 512 GK
)	
Deloitte Touche Tohmatsu CPA Ltd.,)	
)	
Respondent.)	
)	

JOINT MOTION TO DISMISS WITHOUT PREJUDICE

Petitioner Securities and Exchange Commission (“SEC” or “Commission”) and Respondent Deloitte Touche Tohmatsu CPA Ltd. (“DTTC”), pursuant to Rule 41(a)(2) of the Federal Rules of Civil Procedure, hereby jointly move to dismiss without prejudice the SEC’s Application For Order Requiring Compliance With Subpoena. In support of this motion, the parties state as follows:

1. On September 8, 2011, the Commission initiated this action to compel DTTC to comply with an administrative subpoena (the “Subpoena”) issued by the Commission on May 27, 2011, in connection with an investigation styled, *In the Matter of Longtop Financial Technologies Limited*, SEC File No. HO-11698. The Subpoena seeks audit workpapers and other documents concerning DTTC’s audits of Longtop Financial Technologies Limited (“Longtop”), a foreign private issuer whose securities were registered with the Commission and have traded on U.S. markets. On January 4, 2012, the assigned magistrate judge issued an Order to Show Cause directing DTTC to explain why it should not be required to comply with the Subpoena.

2. On July 18, 2012, after DTTC filed a brief opposing enforcement of the Subpoena, the SEC filed an unopposed motion for a six-month stay of the proceedings. The SEC sought the stay to allow the SEC to continue discussions it was then having with the China Securities Regulatory Commission (“CSRC”) regarding cross-border enforcement cooperation. The magistrate judge entered the requested stay of proceedings and denied without prejudice the SEC’s application for an order requiring compliance with the Subpoena (“Application”). In its orders, the Court stated that the Application could be “refiled at any time . . . if accompanied by a motion to terminate the stay.” Docket Nos. 32, 33; Minute Order dated August 7, 2012.

3. On August 6, 2012, SEC staff sent a request for assistance to the CSRC with respect to DTTC’s audit workpapers and certain other DTTC documents related to Longtop, under the International Organization of Securities Commissions (“IOSCO”) Memorandum of Understanding (“MMOU”).

4. On December 3, 2012, the SEC re-filed its Application (Docket No. 37) and moved to lift the stay of this proceeding. On March 4, 2013, the magistrate judge issued an order granting the SEC’s motion to lift the stay. On April 22, 2013, this Court overruled DTTC’s objections to that order. Per the Court’s instructions, briefing on the merits of the SEC’s Application continued, and the parties completed merits briefing on May 30, 2013.

5. In early July 2013, the CSRC provided notice to the SEC that it intended to produce to the SEC documents responsive to the August 6, 2012 request for assistance. The SEC informed the Court of this development through the SEC’s July 10, 2013 Notice to the Court. On or about July 15, 2013, the CSRC produced to the SEC over 200,000 pages of audit workpapers and related documents regarding Longtop, in response to the SEC’s August 6,

2012 request. DTTC had provided these documents to the CSRC on May 7, 2013, in response to an investigative notice it had received from the CSRC, dated April 8, 2013. The documents in the July 2013 production from the CSRC are also responsive to the SEC's May 27, 2011 Subpoena directed to DTTC that is the subject of this action.

6. As reflected in the Joint Status Report (filed November 4, 2013) and the Second Joint Status Report (filed December 16, 2013), the SEC has raised certain issues regarding the July production with the CSRC and DTTC. In January 2014, the CSRC forwarded to the SEC additional materials regarding Longtop that the CSRC had obtained from DTTC. These materials included, among other things, documents that had not been produced in the July 2013 production, and logs of documents (or portions thereof) that DTTC had withheld from its production on various grounds (including documents designated as state secrets under Chinese law or claimed by DTTC to be privileged under U.S. law) (collectively the "Withholding Logs"). Also, DTTC has provided to the SEC a certification as to the completeness of the productions that DTTC has made to the CSRC, in response to the CSRC's investigative notices to DTTC regarding Longtop.

7. DTTC states that it will cooperate with respect to Longtop-related documents by providing such documents, to the extent not already produced, and consistent with Chinese law and any privileges afforded by U.S. law, to the CSRC upon the CSRC's request. By joining this motion, the SEC does not concede the legitimacy of any of DTTC's withholding of documents (or portions of documents) from the July or January productions. The SEC expressly reserves any right it may have to seek production of withheld materials under the Subpoena, or otherwise to challenge these withholdings, at a later date, if the SEC deems it necessary to do so. By joining this motion, DTTC does not waive its objection to producing

documents directly to the SEC (rather than through the CSRC), does not agree to produce any documents directly to the SEC, and does not waive any objection to any attempt by the SEC to challenge the withholding of material based on privilege, state secrets or other grounds.

8. The SEC is continuing to review the Longtop documents and the Withholding Logs that it has received from the CSRC. In light of the substantial volume of documents produced, the cooperation that the CSRC recently has provided to the SEC with respect to Longtop, and DTTC's statement that DTTC will continue to cooperate with respect to CSRC requests for Longtop-related documents, the SEC, at present, does not believe that there is a need for judicial relief with respect to the Subpoena. However, it is possible that the SEC may later determine, based on its review of the materials produced or other circumstances, that it needs the Court's assistance. Accordingly, the SEC, joined by DTTC, now requests an order dismissing this proceeding without prejudice.

Dated: Washington, D.C.
January 27, 2014

Respectfully submitted,

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Enforcement Division

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

U.S. Securities and Exchange Commission,)

Petitioner,)

-v.-)

Deloitte Touche Tohmatsu CPA Ltd.,)

Respondent.)

11 Misc. 512 GK

PROPOSED ORDER

Petitioner Securities and Exchange Commission ("SEC") and Respondent Deloitte Deloitte Touche Tohmatsu CPA Ltd. ("DTTC"), having filed a Joint Motion To Dismiss Without Prejudice, and good cause having been shown, it is hereby ORDERED that:

1. The SEC's Application For Order Requiring Compliance With Subpoena is DISMISSED WITHOUT PREJUDICE.

DATE:

Judge Gladys Kessler
United States District Judge

RESPONDENTS EXHIBIT 677

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

U.S. Securities and Exchange Commission,)	
)	
Petitioner,)	
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-v.-)	11 Misc. 512 GK
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Deloitte Touche Tohmatsu CPA Ltd.,)	
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PROPOSED ORDER

Petitioner Securities and Exchange Commission ("SEC") and Respondent Deloitte Deloitte Touche Tohmatsu CPA Ltd. ("DTTC"), having filed a Joint Motion To Dismiss Without Prejudice, and good cause having been shown, it is hereby ORDERED that:

1. The SEC's Application For Order Requiring Compliance With Subpoena is DISMISSED WITHOUT PREJUDICE.

DATE: *Jan. 27, 2014*

Gladys Kessler

Judge Gladys Kessler
United States District Judge