

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 69094 / March 8, 2013

Admin. Proc. 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

**ORDER GRANTING EXTENSION**

**I.**

The Chief Administrative Law Judge, Brenda P. Murray, has moved, pursuant to Commission Rule of Practice 360(a)(3),<sup>1</sup> for an extension of time to issue the initial decision in the proceeding instituted on May 9, 2012 against Deloitte Touche Tohmatsu Certified Public Accountants Ltd. ("D&T Shanghai"). For the reasons set forth below, we have determined to grant the law judge's motion.

On May 9, 2012, we issued an Order Instituting Administrative Proceedings Pursuant to Rule 102(e)(1)(iii) of the Commission's Rules of Practice and Notice of Hearing against D&T Shanghai, a public accounting firm registered with the Public Company Accounting Oversight Board.<sup>2</sup> The OIP alleges that D&T Shanghai willfully failed to provide audit workpapers in response to a Commission request, despite its legal obligations as a registered accounting firm to do so under § 106 of the Sarbanes-Oxley Act of 2002, 15 U.S.C. § 7216.<sup>3</sup>

<sup>1</sup> 17 C.F.R. § 201.360(a)(3).

<sup>2</sup> *Deloitte Touche Tohmatsu Certified Public Accountants, Ltd.*, Exchange Act Release No. 66948, 2012 SEC LEXIS 1457 (May 9, 2012). We subsequently issued a Second Corrected OIP, which corrected typographical errors in certain dates in the original OIP. That OIP is available at <http://www.sec.gov/litigation/admin/2012/34-66948.pdf>.

<sup>3</sup> 2012 SEC LEXIS 1457, at \*1-2.

On December 3, 2012, we issued an additional Order Instituting Administrative Proceedings Pursuant to Rule 102(e)(1)(iii) of the Commission's Rules of Practice and Notice of Hearing against D&T Shanghai and four other respondents.<sup>4</sup> The OIP in this second proceeding alleges that the respondents willfully refused to provide the Commission with audit workpapers and other materials prepared in connection with audit work or interim reviews in contravention of their legal obligations under Sarbanes-Oxley § 106 as foreign public accounting firms.<sup>5</sup> The first proceeding, in which D&T Shanghai was the sole respondent, was subsequently consolidated with this second proceeding.

## II.

The OIP in the first proceeding directs the presiding law judge to issue an initial decision no later than 300 days from the date of service of the OIP. On February 6, 2013, Chief Judge Murray filed a motion stating that the initial decision with respect to the first proceeding is due on March 11, 2013 and requesting an extension pursuant to Commission Rule of Practice 360(a)(3).<sup>6</sup> Chief Judge Murray calculated the due date by reference to a May 14, 2012 service date for the OIP.<sup>7</sup>

We adopted Rules of Practice 360(a)(2) and 360(a)(3) to enhance the timely and efficient adjudication and disposition of Commission administrative proceedings by setting deadlines for administrative hearings.<sup>8</sup> The rules further provide for extensions under certain circumstances, if supported by a motion from the Chief Administrative Law Judge and we determine that "additional time is necessary or appropriate in the public interest."<sup>9</sup>

In the motion, Chief Judge Murray states that it is not possible to issue an initial decision in the first proceeding by March 11, 2013 because "the proceeding was postponed for approximately five months pending the Commission's negotiations with the China Securities Regulatory Commission and has since been consolidated with [the second proceeding], which was instituted approximately seven months" after the first proceeding. Chief Judge Murray seeks a seven month extension to issue a decision in the first proceeding.<sup>10</sup> Under the circumstances, it is appropriate in the public interest to grant the Chief Administrative Law Judge's request and to extend the initial decision deadline.

<sup>4</sup> *BDO China Dahua CPA Co., Ltd.*, Exchange Act Release No. 68335, 2012 SEC LEXIS 3704 (Dec. 3, 2012).

<sup>5</sup> *Id.* at \*3-4.

<sup>6</sup> 17 C.F.R. § 201.360(a)(3).

<sup>7</sup> In the motion, Chief Judge Murray states that, while D&T Shanghai admitted that service of the OIP in the first proceeding had been effected on May 14, 2012 by delivery to its registered agent for service of process, D&T Shanghai now contests the propriety of service. We need not address D&T Shanghai's contention in this order and do not do so.

<sup>8</sup> *See Adopting Release*, Securities Act Release No. 8240, 2003 SEC LEXIS 1404, at \*2-3 (June 11, 2003).

<sup>9</sup> 17 C.F.R. § 201.360(a)(3).

<sup>10</sup> Motion Requesting Extension of Time to File Initial Decision, Administrative Proceedings Rulings Release No. 747 (Feb. 5, 2013).

Accordingly, IT IS ORDERED that the deadline for filing the initial decision in the first proceeding is extended to October 11, 2013.

By the Commission.