

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**



**ADMINISTRATIVE PROCEEDING**  
File No. 3-~~1832~~ 18292

**In the Matter of**

**Anton & Chia, LLP,  
Gregory A. Wahl, CPA  
Michael Deutchman, CPA,  
Georgia Chung, CPA,  
and Tommy Shek, CPA,**

**Respondents.**

**ANSWER OF RESPONDENTS  
ANTON & CHIA, LLP, GREGORY A.  
WAHL, CPA, AND GEORGIA  
CHUNG, CPA TO ORDER  
INSTITUTING PUBLIC  
ADMINISTRATIVE AND CEASE-  
AND-DESIST PROCEEDINGS**

Pursuant to Rule 220, SEC Rules of Practice, 17 CFR 201.220, Respondents, Anton & Chia, LLP (“A&C”), Gregory A. Wahl, CPA (“Wahl”) and Georgia Chung, CPA (“Chung”) (collectively, the “Respondents”), and each of them, for themselves and no other Respondent, through their undersigned counsel, hereby answer the allegations of the Division of Enforcement (the “Division”) of the United States Securities and Exchange Commission (the “SEC”) of the Order Instituting Proceedings (“OIP”) in this matter as follows. With respect to Chung, Respondent Chung does not have personally knowledge of audit and review work referenced in the OIP other than the work to which she was assigned and accordingly as to the responses below, for those responses she is relying, upon information and belief, on the responses her co-Respondents. To the extent, if any, any allegation asserting liability or wrongdoing of any kind is not otherwise addressed by the Respondents below, the Respondents deny each such allegation.

## PRELIMINARY STATEMENT

A&C is a full-service accounting, assurance, tax and advisory firm. At times which are the subject of the OIP, together with its Canadian affiliate (collective, the "Firm"), the Firm serviced over 2000 clients in small and middle markets worldwide. Among other services, the Firm provided and continues to provide audit and review services for public companies in the United States. It is registered with the Public Company Accounting Oversight Board ("PCAOB") and the American Institute of Certified Public Accountants. As of early 2016, the Firm provided services for over 100 public companies and brokerage firms. From that large list of work, the Division has focused on the audits and/or reviews for three reporting companies: Accelera Innovations, Inc. ("Accelera"), Premier Holding Corporation ("Premier") and CannaVEST Corp. ("CannaVEST") (together, the "Reporting Companies").

A&C, Wahl, and Chung performed the work for the Reporting Companies appropriately, in accordance with professional standards for each of these. As will be shown at the hearing, in each case, each of the Respondents properly exercised their professional judgment. Each of the Reporting Companies is discussed briefly below in this Preliminary Statement.

Accelera. The principal issue is the appropriateness of consolidation of Behavioral Health Care Associates with Accelera. The Division's claims are based upon an unduly limited interpretation of when, in an accountant's professional judgment, consolidation may be appropriate. The judgment made by A&C and Wahl were within the appropriate parameters of professional judgment.

Premier. The principal issue is whether A&C and Wahl met accounting standards in testing the value of a note which Premier acquired (the "Note") in 2013. They did. In response to the Division's concerns, A&C and Wahl provided the Division with declarations from the

Dean of a major university's accounting school which concluded after an extensive analysis, citing the work performed and applicable accounting rules, "[I]t was a reasonable professional judgment for [A&C] to rely on the valuation information available to them, including the documentation [A&C] received and other communications from [the valuation specialist hired by Premier] as well as letters from management, as appropriate evidence supporting [A&C]'s conclusion that 'the ending balance of the [Note Receivable] [was] reasonably recorded' as of December 31, 2013."

CannaVEST. The principal issue involved the accounting for CannaVEST's acquisition of assets of PhytoSPHERE Systems, LLC ("Phytosphere") in its quarterly reports. Details of the acquisition were disclosed in public filings by CannaVEST. A&C was engaged to perform three *quarterly reviews*. Review work involves substantial professional judgment, that is based upon much more limited testing and analysis than that involved in an audit. A&C reasonably used its professional judgment in conducting its reviews. A&C acted appropriately and independently at all times. For example, A&C compelled CannaVEST to accept an impairment of approximately \$27 million in goodwill.

The SEC has filed a civil action against CannaVEST in federal district court in Nevada based upon the Phytosphere acquisition.<sup>1</sup> CannaVEST has moved to dismiss that action. In that motion, CannaVEST stated:

[CannaVEST's] dealings with the SEC began immediately after the Restatements were filed (i.e., in April 2014) with an inquiry by the SEC's Division of Corporate Finance ("CorpFin"). In its initial correspondence, the SEC generally inquired about CannaVEST's acquisition of PhytoSphere's assets. Over the next eight months, CannaVEST and CorpFin exchanged written correspondence and

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<sup>1</sup> The Respondents reserve the right to file a motion to stay pending resolution of the CannaVEST litigation. See, e.g., *Percoraro v. Sangheim -Kim*, 2013 U.S. Dist, LEXIS 188413, at \*8 (C.D. Cal. 2013) (Court granted motion to stay noting, "Because the issue is factually and legally difficult, and is already pending before the MDL court, staying the case is in the interest of judicial economy and avoids the potential for an inconsistent ruling.")

participated in several conference calls, along with PKF, as the [CannaVEST] explained and attempted to justify the Restatements as providing full disclosure and financial transparency. Notwithstanding the Restatements, CorpFin insisted that the Company restate its financials *again*, to revert back to its initial reporting of a \$35 million valuation of the PhytoSphere assets. In so doing, CorpFin insisted that the correct reporting of the transaction required the Company to look only to the price on the face of the PhytoSphere purchase agreement, as CannaVEST had originally done.

CorpFin specifically noted that, for purposes of reporting the transaction as required under Generally Accepted Accounting Principles ("GAAP") and applicable accounting rules, CannaVEST's subjective valuation of PhytoSphere, including whether the [CannaVEST] believed the acquired PhytoSphere assets were worth \$35 million (or even \$8 million) in cash, was irrelevant. Instead, the SEC insisted that the [CannaVEST] was bound to report the asset based upon the purchase price of \$35 million. Ultimately, CorpFin did not press its position and went silent.

Assuming the accuracy of CannaVEST's assertions, the Division's position that the

Respondents' professional judgment in the conduct of reviews (not an audit) was so faulty as to justify this proceeding is untenable. As noted below, this is specifically egregious with respect to Respondent Chung.

Chung is named in the OIP solely based upon her work as the engagement quality review partner for the first quarter of 2013 for CannaVEST. Chung is the wife of Wahl. Her role at A&C in 2013 was solely performed on an as needed basis. She had no daily operational responsibilities for A&C other than some administrative work. Otherwise her full-time job was a mother of two. From 2009 through 2013, Chung was an engagement quality reviewer for very few engagements, one of which was CannaVEST. She acted appropriately for the review work she did on CannaVEST. Not only is she not liable for any misconduct, but her inclusion in this OIP is an unreasonable exercise of prosecutorial discretion.

## RESPONSES TO ALLEGATIONS

1. With respect to paragraph 1, the Respondents admit that the alleged conduct relates to the audit and/or interim engagements for the Reporting Companies. The Respondents deny the remaining allegations of said paragraph.
2. With respect to paragraph 2, reference is made to A&C's opinion for its terms. The Respondents deny the remaining allegations of said paragraph.
3. With respect to paragraph 3, the Respondents deny the allegations of said paragraph.
4. With respect to paragraph 4, reference is made to A&C's opinion for its terms. The Respondents deny the remaining allegations of said paragraph.
5. With respect to paragraph 5, the Respondents deny the allegations of said paragraph.
6. With respect to paragraph 6, the Respondents deny the allegations of said paragraph.
7. With respect to paragraph 7, the Respondents deny the allegations of said paragraph.
8. With respect to paragraph 8, the Respondents deny the allegations of said paragraph.
9. With respect to paragraph 9, the Respondents admit the allegations of said paragraph.
10. With respect to paragraph 10, the Respondents deny the allegation concerning Wahl's age. Respondents admit the remaining allegations of said paragraph.
11. With respect to paragraph 11, the Respondents admit the allegations of said paragraph.
12. With respect to paragraph 12, the Respondents admit the allegations of the first two sentences of said paragraph. Respondents are informed and believe that the remaining allegations of said paragraph are true, however Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

13. With respect to paragraph 13, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny the age and residence of Tommy Shek, CPA (“Shek”).

Respondents admit the remaining allegations of said paragraph.

14. With respect to paragraph 14, as to the information identifying Accelera, reference is made to that company’s filing with the SEC. Respondents are informed and believe that the remaining allegations of said paragraph are true, however Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

15. With respect to paragraph 15, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

16. With respect to paragraph 16, as to the information identifying Premier, reference is made to that company’s filing with the SEC. The Respondents are informed and believe that the remaining allegations of said paragraph are true, however the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

17. With respect to paragraph 17, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

18. With respect to paragraph 18, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

19. With respect to paragraph 19, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

20. With respect to paragraph 20, as to the information identifying CannaVEST, reference is made to that company’s filing with the SEC. The Respondents are informed and believe that the remaining allegations of said paragraph are true, however the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

21. With respect to paragraph 21, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.
22. With respect to paragraph 22, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.
23. With respect to paragraph 23, the Respondents deny the allegations of said paragraph.
24. With respect to paragraph 24, reference is made to A&C's opinions for their terms. The Respondents admit the remaining allegations of said paragraph.
25. With respect to paragraph 25, reference is made to A&C's opinions for their terms.
26. With respect to paragraph 26, reference is made to A&C's opinions for their terms.
27. With respect to paragraph 27, reference is made to A&C's Engagement Summary Memos for their terms.
28. With respect to paragraph 28, the Respondents deny the allegations of said paragraph.
29. With respect to paragraph 29, the Respondents deny the allegations of said paragraph.
30. With respect to paragraph 30, as to the first and fourth sentences, Respondents admit the allegations. As to the second sentence, reference is made to the subject testimony for its terms and context. As to the third sentence, the term "audit season" is uncertain and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.
31. With respect to paragraph 31, the Respondents deny these allegations.
32. With respect to paragraph 32, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.
33. With respect to paragraph 33, as to the first and second sentences, the Respondents admit that for the year-end financials for 2013, Accelera consolidated its publicly-filed financial

statement for the financial conditions and results, but assert that the references to “purported” and “treated BHCA’s revenues, assets and liabilities as if they belonged to Accelerera,” are based upon a faulty premise and deny the allegations to the extent, that they allege that consolidation was improper. As to the third sentence, reference is made to the identified Form 10-K for its terms.

34. With respect to paragraph 34, the Respondents deny the allegations of said paragraph.

35. With respect to paragraph 35, as to the first sentence, the Respondents admit these allegations. Respondents deny the remaining allegations of said paragraph.

36. With respect to paragraph 36, the Respondents admit the allegation of this paragraph except for the reference to “explained below” which is uncertain and accordingly, as to that term, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

37. With respect to paragraph 37, the allegations are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

38. With respect to paragraph 38, as to the first and third sentences, reference is made to Accelerera’s Form 10-K for 2013 for its terms with respect to the amounts reported as revenue. With respect to the remaining allegations of said paragraph, the allegations are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

39. With respect to paragraph 39, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.



40. With respect to paragraph 40, reference is made to the Stock Purchase Agreement for its terms. As to any other allegations in said paragraph, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

41. With respect to paragraph 41, as to subparagraphs a through c, reference is made to the identified documents for their terms. As to the remaining allegations in said paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

42. With respect to paragraph 42, as to the first two sentences, the Respondents admit that A&C and Wahl knew about the Stock Purchase Agreement and that it was among the work papers as alleged. As to Deutchman's knowledge of the Stock Purchase Agreement, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations in said paragraph, the Respondents deny these allegations.

43. With respect to paragraph 43, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

44. With respect to paragraph 44, reference is made to any written amendments for their terms. As to any other allegations in said paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

45. With respect to paragraph 44, the Respondents admit the allegation of this paragraph except as to the allegations as to what Deutchman knew and as to that allegation, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny that allegation.

46. With respect to paragraph 46, the Respondents deny the allegations of said paragraph.

47. With respect to paragraph 47, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

48. With respect to paragraph 48, the Respondents deny the allegations of said paragraph as to A&C and Wahl. As to Deutchman's knowledge alleged therein, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

49. With respect to paragraph 49, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

50. With respect to paragraph 50, reference is made to the identified document for its terms. As to any other allegations in said paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

51. With respect to paragraph 51, the Respondents deny the allegations of said paragraph as to A&C and Wahl. As to Deutchman's knowledge as alleged therein, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

52. With respect to paragraph 52, the Respondents deny the allegations of said paragraph.

53. With respect to paragraph 53, the Respondents deny the allegations of said paragraph.

54. With respect to paragraph 54, the Respondents deny the allegations of said paragraph.

55. With respect to paragraph 55, the Respondents deny the allegations of said paragraph.

56. With respect to paragraph 56, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

57. With respect to paragraph 57, the Respondents admit the allegations of said paragraph.

58. With respect to paragraph 58, the Respondents admit the allegation of this paragraph except as to the allegations as to what Deutchman knew and as to that allegation, the

Respondents do not have, and are unable to obtain, sufficient information to admit or deny that allegation.

59. With respect to paragraph 59, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

60. With respect to paragraph 60, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

61. With respect to paragraph 61, as to the first sentence, the Respondents deny these allegations paragraph as to A&C and Wahl. As to Deutchman's knowledge as alleged therein, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. With respect to the second sentence, reference is made to Form 8-K Items 2.01 and 9.01 and Exchange Act Rule 13a-11 for their terms. These requirements and rules are subject to professional interpretation. As to the remaining allegations of said paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

62. With respect to paragraph 62, as to the last sentence, the allegations are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations of said paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

63. With respect to paragraph 63, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

64. With respect to paragraph 64, as to the last sentence, Respondents deny these allegations. As to the remaining allegations of this paragraph, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

65. With respect to paragraph 65, as to the first sentence, Respondents deny these allegations. As to the remaining allegations of this paragraph, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

66. With respect to paragraph 66, as to the allegations that A&C signed audit reports and engaged in reviews for Accelera, Respondents admit these allegations. As to the allegation in the first sentence of "the red flags described above," the Respondents deny the allegation of "red flags." As to any other allegations in said paragraph, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

67. With respect to paragraph 67, the Respondents deny the allegations of said paragraph.

68. With respect to paragraph 68, Respondents admit that an Acquisition Memo was drafted by a staff accountant. As to the allegation that the staff accountant was "newly hired" and had "no audit experience," these are conclusory and uncertain terms and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the other allegations in said paragraph, Respondents deny these allegations.

69. With respect to paragraph 69, reference is made to the Acquisition Memo for its terms.

70. With respect to paragraph 70, reference is made to the Acquisition Memo for its terms.

71. With respect to paragraph 71, reference is made to the Acquisition Memo for its terms.

72. With respect to paragraph 72, reference is made to the Acquisition Memo for its terms.

73. With respect to paragraph 73, reference is made to the Acquisition Memo for its terms.

74. With respect to paragraph 74, as to the allegation that A&C prepared "no other documentation," the phrase is conclusory and uncertain and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the other allegations in said paragraph, Respondents deny these allegations.

75. With respect to paragraph 75, the Respondents deny the allegations of said paragraph.

76. With respect to paragraph 76, as to the first sentence, the Respondents deny the allegations of said paragraph. As to the remaining allegations of said paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

77. With respect to paragraph 77, as to the first two sentences, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the last two sentences of said paragraph, the Respondents state that the allegations are an incomplete statement of the testimony of Michael Deutchman ("Deutchman") and reference is made to that testimony for its terms.

78. With respect to paragraph 78, the Respondents deny the allegations of said paragraph.

79. With respect to paragraph 79, the allegations are based upon faulty premises and are therefore confusing, and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. To the extent these allegations are understood by the Respondents, the Respondents deny the allegations of said paragraph.

80. With respect to paragraph 80, the Respondents deny the allegations of said paragraph.

81. With respect to paragraph 81, reference is made to PCAOB Standards AU §§ 210 and 230 for their terms. These standards are subject to professional interpretation.

82. With respect to paragraph 82, reference is made to PCAOB Standard AS No. 10 (including subsect No. 10.6) and QC § 20 for their terms. These standards are subject to professional interpretation.

83. With respect to paragraph 83, reference is made to PCAOB Standard AS No. 7 for its terms. This standard is subject to professional interpretation.

84. With respect to paragraph 84, as to the allegation that the staff accountant was “newly hired” and had “no audit experience,” these are conclusory and uncertain terms and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations in the first sentence, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the allegation in the second sentence, Respondents are informed and believe that it is correct, but at this time, Respondents do not have, and are unable to obtain, sufficient information to admit or deny this allegation.

85. With respect to paragraph 85, as to the first sentence, the allegation that the staff accountant was “newly hired” and had “no audit experience,” these are conclusory and uncertain terms and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny the allegations of the first sentence. With respect to the remaining allegations in said paragraph, the allegation of “purported supervision” is apparently based upon a faulty premise and is accordingly confusing. To the extent that allegation is understood by the Respondents, the Respondents deny the allegation. The Respondents deny the remaining allegations of said paragraph.

86. With respect to paragraph 86, as to the first sentence, the Respondents admit the allegations. With respect to the second sentence of this paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny the allegations

87. With respect to paragraph 87, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny the allegations concerning Deutchman’s communications. As to the remaining allegations of said paragraph, the Respondents deny the allegations.

88. With respect to paragraph 88, the Respondents deny the allegations of said paragraph.
89. With respect to paragraph 89, the Respondents deny the allegations of said paragraph.
90. With respect to paragraph 90, reference is made to PCAOB Standards AS No. 15 and AU § 722 and the subparts cited therein, reference is made to these standards (and the subparts referenced) for their terms. These standards are subject to professional interpretation.
91. With respect to paragraph 91, reference is made to PCAOB Standards AU § 333 (including subsections 333.02 and 333.04) and AS No. 3.8 and, reference is made to these standards for their terms. These standards are subject to professional interpretation.
92. With respect to paragraph 92, reference is made to AS No.7 and the subparts cited therein; reference is made to AS No. 7 (and the subparts referenced) for their terms. AS No. 7 is subject to professional interpretation. As to any other allegations in said paragraph, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.
93. With respect to paragraph 93, reference is made to the opinions for their terms. As to the remainder of the first sentence concerning the issuance of audit reports, the references to “issued audit reports” and “issuance of audit reports” are conclusory and uncertain terms and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. Respondents specifically deny that Wahl approved the 2015 audit. As to the other allegations in said paragraph, Respondents deny these allegations.
94. With respect to paragraph 94, as to the first two sentences, the terms “A&C knew that Accelera had material weaknesses” and that “financial reporting was ineffective” is conclusory and uncertain and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny the allegations. As to the third sentence, the Respondents admit

that the quoted language is contained in the audit planning memoranda by reference is made to the entire memoranda for context.

95. With respect to paragraph 95, the Respondents deny the allegations of said paragraph.

96. With respect to paragraph 96, the allegations appear to be based upon a faulty premise and accordingly are uncertain. To the extent these allegations are understood by the Respondents, the Respondents deny the allegations.

97. With respect to paragraph 97, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

98. With respect to paragraph 98, the Respondents deny the allegations of said paragraph.

99. With respect to paragraph 99, reference is made to PCAOB Standards AS 3.6, AS 3.12 and AU 722.52 reference is made to these standards (and the subparts referenced) for their terms. These standards are subject to professional interpretation.

100. With respect to paragraph 100, the Respondents deny the allegations of said paragraph.

101. With respect to paragraph 101, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

102. With respect to paragraph 102, the Respondents deny the allegations of said paragraph.

103. With respect to paragraph 103, reference is made to PCAOB Standard AU § 230 (including subsections 230.07, 230.08 and 230.09) and AU § 722.01 for their terms. These standards are subject to professional interpretation.

104. With respect to paragraph 104, the Respondents deny the allegations of said paragraph.

105. With respect to paragraph 105, reference is made to PCAOB Standard QC § 20 (including subsections 20.01, 20.04, 20.17 and 20.18) for their terms. These standards are subject to professional interpretation.



106. With respect to paragraph 106, the Respondents deny the allegations of said paragraph.

107. With respect to paragraph 107, the allegations in the first and third sentences are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the second sentence, the Respondents deny these allegations.

108. With respect to paragraph 108, the Respondents deny the allegations of said paragraph.

109. With respect to paragraph 109, the Respondents deny the allegations of said paragraph.

110. With respect to paragraph 110, the Respondents deny the allegations of said paragraph.

111. With respect to paragraph 11, the Respondents anticipated that Accelera's Forms 10-K would in A&C opinions for periods for which A&C issued opinions. Reference is made to those opinions for their terms. As to the remaining allegations of said paragraph, the Respondents deny these allegations.

112. With respect to paragraph 112, the Respondents deny these allegations.

113. With respect to paragraph 113, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

114. With respect to paragraph 114, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

115. With respect to paragraph 115, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

116. With respect to paragraph 116, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

117. With respect to paragraph 117, reference is made to the Note for its terms. With respect to the remaining allegations of this paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

118. With respect to paragraph 118, reference is made to ASC 310-10-30-5 for its terms. These standards are subject to professional interpretation.

119. With respect to paragraph 119, reference is made to ASC 820-10-30 for its terms. These standards are subject to professional interpretation. Reference is also made to the identified documents for their terms. The Respondents deny the allegation of the last sentence of footnote 10. As to the remaining allegations of this paragraph, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

120. With respect to paragraph 120, as to the first sentence of footnote 11, reference is made to ASC 850-10-20 for its terms. Those standards are subject to professional interpretation. As the second sentence of footnote 11, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the reference to “converted a quarterly loss to net income,” this phrase is conclusory and uncertain and accordingly the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the other allegations in said paragraph, Respondents deny that allegation. As to the remaining allegations of this paragraph, the Respondents admit these allegations.

121. With respect to paragraph 121, reference is made to ASC 310-35 for its terms. These standards are subject to professional interpretation. As to the second sentence, omitting the word “instead,” the Respondents admit these allegations.

122. With respect to paragraph 122, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

123. With respect to paragraph 123, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

124. With respect to paragraph 124, the Respondents admit the allegations of said paragraph.

125. With respect to paragraph 125, the Respondents admit the allegations of said paragraph.

126. With respect to paragraph 126, the allegation as based upon a faulty premise, to the extent the word "purported" is used. The Respondents admit the remaining allegation of said paragraph.

127. With respect to paragraph 127, as to the first and fourth sentences, the Respondents deny these allegations. As to the second and third sentences, reference is made to ASC 805 for its terms. These standards are subject to professional interpretation. As to footnote 12, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

128. With respect to paragraph 128, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

129. With respect to paragraph 129, reference is made to PCAOB Standard AU § 110 and AU § 316.01 for their terms. These standards are subject to professional interpretation.

130. With respect to paragraph 130, the Respondents admit these allegations.

131. With respect to paragraph 131, the allegations appear to be based upon the 2013 Planning Memo. Reference is made to that document for its terms.

132. With respect to paragraph 132, the allegations appear to be based upon one or more specific workpapers. Without a more specific identification of the subject workpapers, the

Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

133. With respect to paragraph 133, the Respondents deny these allegations.

134. With respect to paragraph 134, the Respondents deny these allegations.

135. With respect to paragraph 135, the Respondents deny these allegations.

136. With respect to paragraph 136, the Respondents deny these allegations.

137. With respect to paragraph 137, the Respondents deny these allegations.

138. With respect to paragraph 138, the Respondents deny these allegations.

139. With respect to paragraph 139, the Respondents deny these allegations.

140. With respect to paragraph 140, the Respondents deny these allegations.

141. With respect to paragraph 141, the Respondents deny these allegations.

142. With respect to paragraph 142, the Respondents deny these allegations.

143. With respect to paragraph 143, the Respondents deny these allegations.

144. With respect to paragraph 144, the Respondents deny these allegations.

145. With respect to paragraph 145, the Respondents deny these allegations.

146. With respect to paragraph 146, the Respondents deny these allegations.

147. With respect to paragraph 147, as to the first sentence, the Respondents admit these allegations. As to the second sentence, reference is made to PCAOB Standards AU § 230.07, AU § 230.09 and AU § 316 for their terms. These standards are subject to professional interpretation. As to the remaining allegations of this paragraph, the Respondents deny these allegations.

148. With respect to paragraph 148, reference is made to Standard AU 316.66 for its terms. This standard is subject to professional interpretation. With respect to the remaining

allegations of said paragraph, as to the dates of the referenced transactions and what “management” had recorded as stated in the last sentence, reference is made to the relevant financial statements as they were filed at the time A&C performed its work for their terms. As to whether these specific events occurred, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations, including without limitation any implication that A&C or Wahl acted improperly, the Respondents deny these allegations.

149. With respect to paragraph 149, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

150. With respect to paragraph 150, reference is made to Standard AU 316.66 for its terms. This standard is subject to professional interpretation. As to the remaining allegations, including without limitation any implication that Wahl acted improperly, the Respondents deny these allegations.

151. With respect to paragraph 151, the Respondents deny these allegations.

152. With respect to paragraph 152, reference is made to Standard AU 316.66 for its terms. This standard is subject to professional interpretation. With respect to the remaining allegations of said paragraph, as to the allegations concerning the valuation, the Respondents deny these allegations. As to the remaining allegations, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

153. With respect to paragraph 153, the Respondents deny these allegations.

154. With respect to paragraph 154, the Respondents deny these allegations.

155. With respect to paragraph 155, reference is made to PCAOB Standard QC § 20 (including subsections 20.01, 20.04, 20.17, and 20.18) and AS No. 7 for their terms. These standards are subject to professional interpretation.

156. With respect to paragraph 156, the Respondents deny these allegations.

157. With respect to paragraph 157, the Respondents deny these allegations.

158. With respect to paragraph 158, the Respondents deny these allegations.

159. With respect to paragraph 159, as to the information identifying Premier, reference is made to that company's filing with the SEC. The Respondents are informed and believe that the remaining allegations of said paragraph are true, however the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

160. With respect to paragraph 160, as to the first sentence, the Respondents admit this allegation. As to the second sentence, reference is made to the identified complaint for its terms.

161. With respect to paragraph 161, reference is made to the identified complaint for its terms.

162. With respect to paragraph 162, reference is made to the identified complaint for its terms.

163. With respect to paragraph 163, reference is made to the identified complaint for its terms.

164. With respect to paragraph 164, Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

165. With respect to paragraph 165, the Respondents admit these allegations.

166. With respect to paragraph 166, the Respondents admit these allegations.

167. With respect to paragraph 167, the Respondents admit these allegations.

168. With respect to paragraph 168, the Respondents admit these allegations.

169. With respect to paragraph 169, reference is made to PCAOB Standard AU § 722 (including subparts 722.07 and 722.15) for their terms. These standards are subject to professional interpretation.

170. With respect to paragraph 170, the Respondents deny these allegations.

171. With respect to paragraph 171, the Respondents deny these allegations.

172. With respect to paragraph 172, as to the second sentence, the Respondents are informed and believe that these allegations are correct, however the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations of said paragraph, the Respondents deny these allegations.

173. With respect to paragraph 173, as to footnote 16, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations of said paragraph, the Respondents deny these allegations.

174. With respect to paragraph 174, the Respondents deny these allegations.

175. With respect to paragraph 175, as to the second sentence, reference is made to AU 722.16 for its terms. This standard is subject to professional interpretation. As to the third sentence, this allegation is based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the fourth and fifth sentences, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the remaining allegations of said paragraph, the Respondents deny these allegations.

176. With respect to paragraph 176, the Respondents deny these allegations.

177. With respect to paragraph 177, as to reference is made to AU § 722 (and to subsection 722.26) for their terms. These standards are subject to professional interpretation.

178. With respect to paragraph 178, the Respondents deny these allegations.

179. With respect to paragraph 179, the allegations are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

180. With respect to paragraph 180, as to the identified emails, reference is made to the emails for their terms. As to the second sentence, the Respondents admit that CannaVEST recorded an impairment of approximately \$27million to goodwill on its Q3 balance sheet as the urging of A&C. As to the final sentence of said paragraph, the Respondents deny the allegation.

181. With respect to paragraph 181, the Respondents deny these allegations.

182. With respect to paragraph 182, reference is made to PCAOB Standard AU § 722 (including subsection 722.10-722.13) for their terms. These standards are subject to professional interpretation.

183. With respect to paragraph 183, the Respondents deny these allegations.

184. With respect to paragraph 184, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

185. With respect to paragraph 185, the Respondents deny these allegations.

186. With respect to paragraph 186, as to the first sentence, the Respondents deny these allegations. As to the second and third sentences, reference is made to the identified documents for their terms and as to the allegation concerning what Shek reviewed, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

187. With respect to paragraph 187, reference is made to PCAOB Standard AS No. 3 (including subsection 3.2) for their terms. These standards are subject to professional interpretation.



188. With respect to paragraph 188, reference is made to PCAOB Standard AU 722 (including subsections 722.51-722.52) for their terms. These standards are subject to professional interpretation.

189. With respect to paragraph 189, the Respondents deny these allegations.

190. With respect to paragraph 190, reference is made to PCAOB Standards AU § 722 (including subsection 722.01) and AU § 150.02 and PCAOB Standard AU § 230 (including subsection 230.07) for their terms. These standards are subject to professional interpretation.

191. With respect to paragraph 191, the Respondents deny these allegations.

192. With respect to paragraph 192, reference is made to PCAOB Standard QC § 20 (including subsections 20.01, 20.04, 20.17 and 20.18) and PCAOB Standard AS No. 7 for their terms. These standards are subject to professional interpretation.

193. With respect to paragraph 206, the Respondents deny these allegations.

194. With respect to paragraph 194, the allegations in the first sentence, the Respondents deny these allegations. As to the remaining allegations of said paragraph, the allegations are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

195. With respect to paragraph 195, as to the allegation that A&C's policies and procedures manual was deficient, the Respondents deny these allegations. As to the remaining allegations of said paragraph, the allegations are based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations.

196. With respect to paragraph 196, reference is made to PCAOB Standard AS No. 7 (including subsection 7.14) for their terms. These standards are subject to professional interpretation.

197. With respect to paragraph 197, reference is made to AS No. 7.15 and AS No. 7.16 for their terms. These standards are subject to professional interpretation. As to the specific allegation in the first sentence concerning what an EQR evaluates, this call for a legal conclusion and accordingly, no specific answer is required at this time. Moreover, without a further context, the allegation is uncertain and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny this allegation.

198. With respect to paragraph 198, reference is made to AS No. 7.17 for its terms. This standard is subject to professional interpretation. As to the remaining allegations in said paragraph, these call for legal conclusions and accordingly, no specific answer is required at this time. Moreover, without a further context, these allegations are uncertain and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny this allegation.

199. With respect to paragraph 199, as to the first sentence, the Respondents admit this allegation. As to the remaining allegations in said paragraph, the Respondents deny these allegations.

200. With respect to paragraph 200, as to the second sentence, Respondents admit these allegations. As to the first sentence, third sentence and sixth sentence, Respondents deny these allegations. As to the fourth sentence, this allegation is based upon a faulty premise and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny these allegations. As to the fifth sentence, the allegation is based upon an incomplete hypothetical and accordingly, the Respondents do not have, and are unable to obtain, sufficient information to admit or deny this.

201. With respect to paragraph 201, the Respondents deny these allegations.

202. With respect to paragraph 202, the Respondents deny these allegations.
203. With respect to paragraph 203, reference is made to AS No. 7 (including subsection 7.17) and AU § 230.07 for their terms. These standards are subject to professional interpretation.
204. With respect to paragraph 204, the Respondents deny these allegations.
205. With respect to paragraph 205, the Respondents deny these allegations.
206. With respect to paragraph 206, the Respondents deny these allegations.
207. With respect to paragraph 207, the Respondents deny these allegations.
208. With respect to paragraph 208, the Respondents deny these allegations.
209. With respect to paragraph 209, the Respondents deny these allegations.
210. With respect to paragraph 210, the Respondents deny these allegations.
211. With respect to paragraph 211, the Respondents deny these allegations.
212. With respect to paragraph 212, the Respondents deny these allegations.
213. With respect to paragraph 213, the Respondents deny these allegations.
214. With respect to paragraph 214, the Respondents deny these allegations.
215. With respect to paragraph 215, the Respondents deny these allegations.
216. With respect to paragraph 216, the Respondents deny these allegations.
217. With respect to paragraph 217, the Respondents deny these allegations.
218. With respect to paragraph 218, the Respondents deny these allegations.

#### AFFIRMATIVE DEFENSES

The Respondents, and each of them, assert the following separate, affirmative defenses to the OIP. In so doing, the Respondents do not assume the burden or production or proof with respect to any fact of proposition necessary to the affirmative defense where the burden of production and/or proof is properly imposed on the SEC.

1. The OIP is improperly set for determination by an SEC Administrative Law Judge (“ALJ”). Determination of this proceeding by an ALJ is a violation of the Appointments Clause in Article II, Section 2 of the United States Constitution (the “Constitution”) which provides that “the Congress may by law vest the appointment of such inferior officers, as they think proper, in the president alone, in the courts of law or in the heads of departments” and of the Due Process Clauses of the Fifth and Fourteenth Amendments.
2. The OIP and each cause of action/claim of violation of SEC statutes, rules and regulations fails to state a claim upon which the requested relief may be granted against the Respondents or any of them.
3. At all times relevant, with respect to the audits and reviews which are the subject of the OIP, the Respondents, and each of them exercised appropriate professional judgment in conformity with applicable professional standards. The Respondents did not engage in unprofessional conduct with respect to these audits and reviews.
4. The Division’s claims against the Respondents, and each of them, fail to the extent that the Respondents reasonably relied upon others including professional valuation experts and/or the issuers that are referenced in the OIP and/or their officers, directors and/or agents.
5. The OIP and each cause of action/claim of violation of SEC statutes, rules and regulations fails to state a claim upon which the requested relief may be granted against the Respondents or any of them.
6. Proceedings pursuant to the OIP should be stayed pending resolution and related litigation which the SEC has filed and referenced in the OIP.

7. The appropriate venue for these proceedings is California, where all of the Respondents are located and the principal audit and review work at issue were conducted. These proceedings, including all motions and hearings should proceed in California.
8. The Division's claims are barred in whole or part based upon the doctrine of estoppel.
9. The Respondents, and each of them, lacked the scienter requisite for the claims asserted against them for violations of Exchange Act Section 10(b) and Rule 10b-5 thereunder.
10. Respondents A&C and Wahl, and each of them, lacked the willfulness requisite for the claims for aiding and abetting asserted against them for violations of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder.
11. Respondents A&C and Wahl, and each of them, lacked the willfulness requisite for the claims for aiding and abetting asserted against them for violations of Rule 2-02(b) of Regulation S-X.
12. Respondents A&C and Wahl, and each of them, lacked the willfulness requisite for the claims for aiding and abetting asserted against them for direct and/or aiding and abetting violations of Section 4C(a)(3) of the Exchange Act and Rule 102(e)(1)(iii) of the SEC's Rules of Practice.
13. The OIP and each cause of action/claim of violation of SEC statutes, rules and regulations fails by reason of the doctrine of laches.
14. The OIP and each cause of action/claim of violation of SEC statutes, rules and regulations fails by reason of failure of the Division to comply with Section 929U of the Dodd-Frank Act, 15 U.S.C. § 78d-5.
15. Respondents' conduct does not justify the relief requested by the Division.

16. Disgorgement is inappropriate and impermissible. The SEC lacks authority to order disgorgement.

17. Determination of this proceeding by an ALJ violates the Respondents' right to a jury trial pursuant to the Seventh Amendment of the Constitution.

18. Respondents reserve the right to assert additional affirmative defenses based upon discovery and/or further analysis.

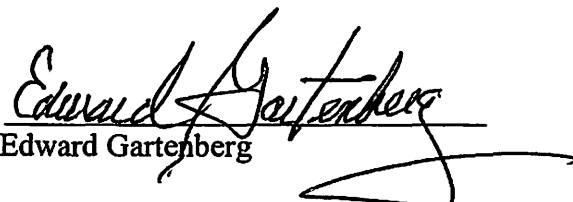
**CONCLUSION/PRAAYER FOR RELIEF**

Wherefore, the Division's claims and requests for relief against the Respondents, an each of them, should be denied.

Dated: January 5, 2018

Respectfully submitted,

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**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-1892**

**In the Matter of**

**Anton & Chia, LLP,  
Gregory A. Wahl, CPA  
Michael Deutchman, CPA,  
Georgia Chung, CPA,  
and Tommy Shek, CPA,**

**Respondents.**

**CERTIFICATE OF SERVICE**

Suguey G. Melara, a legal secretary, hereby certifies that on January 5, 2018, she caused true and correct copies of the **ANSWER OF RESPONDENTS ANTON & CHIA, LLP, GREGORY A. WAHL, CPA, AND GEORGIA CHUNG, CPA TO ORDER INSTITUTING PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS** to be served on the following via Overnight Federal Express and email:

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Dated: January 5, 2018

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