

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 75014 / May 20, 2015**

**ACCOUNTING AND AUDITING ENFORCEMENT**  
**Release No. 3657 / May 20, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16550**

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<b>In the Matter of</b>	:	<b>CORRECTED</b>
	:	<b>ORDER INSTITUTING ADMINISTRATIVE</b>
<b>REN RUI TANG,</b>	:	<b>PROCEEDINGS PURSUANT TO RULE</b>
	:	<b>102(e) OF THE COMMISSION’S RULES OF</b>
<b>Respondent.</b>	:	<b>PRACTICE, MAKING FINDINGS, AND</b>
	:	<b>IMPOSING REMEDIAL SANCTIONS</b>
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**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Renrui Tang (“Respondent” or “Tang”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.<sup>1</sup>

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<sup>1</sup> Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

## II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III(3) below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

## III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Tang, age 41, is a Chinese national residing in the People’s Republic of China (“China”). Tang has served as Chief Financial Officer (“CFO”) for China Valves Technology, Inc. (“CVVT”) since June 2013. Tang served as CVVT’s Financial Controller from December 2010 through June 2013; interim CFO between February 2009 and July 2009 and between May 2010 and December 2010; CFO from December 2007 through March 2009; and Director from December 2007 through November 2008. Tang held himself out and acted as CFO and Treasurer of CVVT from at least August 2010 to at least November 2010. Tang also held a variety of positions related to finance and accounting with CVVT’s subsidiaries between 1994 and 2008. Tang holds himself out as an “International Certified Public Accountant.”

2. CVVT was, at all relevant times, a Nevada corporation with its principal place of business in China. CVVT purports to develop, manufacture, supply, and provide services related to water flow management products. At all relevant times, CVVT’s common stock was registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”). CVVT’s securities traded on the NASDAQ Global Market until September 21, 2012.

3. On September 29, 2014, the Commission filed a complaint against Tang in SEC v. China Valves Technology, Inc., Civil Action No. 1:14-cv-01630 (D.D.C.). On May 13, 2015, the court entered an order permanently enjoining Tang, by consent, from future violations of Section 10(b) of the Exchange Act and Rules 10b-5(b) and 13a-14 thereunder, and aiding and abetting violations of Sections 10(b), 13(a), and 13(b)(2)(A) of the Exchange Act and Rules 10b-5(b), 12b-20, and 13a-13 thereunder. Tang was also ordered to pay a \$40,000 civil money penalty.

4. The Commission’s complaint alleged, among other things, that Tang signed and certified CVVT’s Form 10-Q filing for the third quarter of 2010, which contained material misstatements and omissions related to CVVT’s acquisition of Watts Valve Changsha Co., Ltd. (“Changsha Valve”). According to the complaint, the filing misrepresented the nature of the Changsha Valve transaction and related payments, and failed to disclose the role of related

parties and the existence of an investigation into potential violations of the Foreign Corrupt Practices Act. The complaint alleged that Tang knew, or was reckless in not knowing, that the Form 10-Q was inaccurate because he had received information alerting him to the true nature of the transaction. Further, as CFO and Treasurer of CVVT, he had access to CVVT's finances and was responsible for the accuracy of CVVT's books and records.

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Pursuant to Rule 102(e) of the Commission's Rules of Practice, Tang is suspended from appearing or practicing before the Commission as an accountant.

B. After three years from the date of this order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent's work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the respondent's or the firm's quality control system that would indicate that the respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all

requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission as an accountant provided that he is in possession of an accounting license in good standing and he has resolved any disciplinary issues with any applicable licensing authority. However, if the resolution of any disciplinary action by a licensing authority is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Brent J. Fields  
Secretary