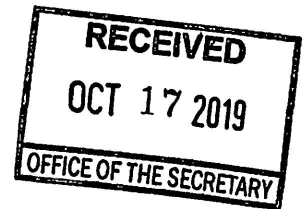

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-18292

In the Matter of Anton & Chia, LLP, Gregory A. Wahl, CPA, Michael Deutchman, CPA, Georgia Chung, CPA, and Tommy Shek, CPA,	GEORGIA CHUNG AND GREGORY A. WAHL'S PRE-HEARING BRIEF

INTRODUCTION

After years of tireless investigation, the SEC leads with a personal attack as to Respondents Greg Wahl and his wife Georgia Chung's ethics broadly generalizing that all that Respondents cared about was billing, which Wahl and his wife Georgia Chung will demonstrate, this is patently false (collectively often referred as "Respondents"). Beyond that the years long investigation and enforcement actions designed to financially exhaust Respondents such that they can no longer afford proper representation, the SEC support their case with the expert testimony of an expert who has very limited expertise in auditing of public companies, little or no valuation experience, which is pertinent to two of the transactions (Premier and Cannavest) and no expertise in the cannabis industry, also pertinent to the Cannavest transaction.

Supporting the personal attacks alleging some sort of poisonous culture at A & C where supposedly anything goes are that the SEC has supposedly lined up many witnesses to cumulatively testify so as to corroborate this supposed lead statement in the SEC's brief. The cumulative nature of this anticipated testimony is generally objectionable. It is also far from the truth.

What is also apparent from the SEC's position and their arguments is the SEC argument is factually inaccurate with respect to both Premier and Cannavest. On Premier, the SEC overlooks that Respondents did not have a complete picture at the time that they provided their audit opinions and in fact the picture painted by valuation experts at Doty Scott at the time that Wahl did the accounting work is far different from the story that the SEC now attempts to now tell. Direct communication between Wahl, Chris Wen and Doty Scott clearly indicate that the $869,000 was to be utilized. The SEC presents factually inaccurate facts as to the viability of using Doty Scott's valuation analysis and therefore and not surprisingly, the SEC reaches a flawed conclusion on Premier

The SEC also gets their facts wrong concerning the re-sale of the Note as the Note was exchanged approximately two months after year end for 7.5 million shares which is $1,125,000. Other facts were not provided or known before A&C issued its audit opinion.

As to Cannavest, the claim that an email was doctored as somehow being determinative to the outcome of the expert opinions submitted by Wahl and or the effort of the SEC to bar the testimony of valuation expert John Misuraca is wrong. The valuation was based on projections, which the company initially met. Also, factually inaccurate is the SEC's contention shares of Cannavest did not trade. There were 23,100 shares that changed hands for the period February 12, 2013 to March 13, 2013, which is the pertinent time period because the 8-K was filed on February 12, 2013 announcing the merger transaction. The Cannavest valuation was based upon projections by a valuation expert, namely Vantage Point. Adding insult to injury is the fact that today the company is worth ten times the value as of the date of the Phytosphere transaction. (Brief, Exhibit B) Notwithstanding that the SEC's expert Harris Devor is by his own admission, not a valuation expert, has not audited a public company in 29 years and is not an expert in the cannabis industry, Mr. Devor claimed that Phytosphere was worth nothing.

For Accelera, tough judgments were made as to the consolidation of financial statements for Accelera's acquisition of BHCA. Had the financial statements not been consolidated, the SEC might well

have ascribed blame anyway for failing to show the liability related to the acquisition that was owed to Blaise Wolfrum. This "damned if you and damned if you don't" situation should not provide the basis for any finding of impropriety and certainly no finding of recklessness. Accelera created a brand new subsidiary to hold the BHCA acquisition. The operating documents stated that the acquisition was effective upon signing and provided for control by the acquirer over the acquiree. All the agreements and transactions related to the BHCA acquisition were fully disclosed in the notes to the financial statements. Accelera's new auditor did not "force" the Company to restate 2014 and 2013 audits for which Wahl was the engagement partner. If there was errors in the accounting for the year ends 2014 and 2013 audits then the new auditor would have "forced" the Company to complete these restatements of 2014 and 2013. The other Accelera acquisitions that were not consolidated was proper as the other transactions can be distinguished on the merits (i.e. no subsidiary was formed, no operating agreement proving for a transfer of control, no request to complete audits, management did not have control, etc.).

Beyond the specifics of each of the three transactions, there were going concern disclosures for all three registrants, which the SEC casually dismisses as being irrelevant to Respondents' accounting treatment of the transactions being examined. The going concern disclosures resulted from large and material losses that created substantial doubt as to whether the registrants would remain viable and operational and they trump any of the more specific technical accounting issues attacked by the SEC. Going concern qualification cut strongly in an accountant's favor (See, *In re North American Acceptance Corp. Securities Cases,* 513 F.Supp. 608, 636 n. 15 (N.D.Ga. 1981) (calling "going concern" qualification "about the most conspicuous `red flag' that an auditor can wave")).

A related point is that in each of the audits and reviews identified, A&C, Wahl and Respondents identified significant audit adjustments and internal control weaknesses for each of the identified registrants. The totality of the disclosures cut squarely against any possible finding of fraudulent activity, recklessness and negligence. These disclosures should trump the SEC's alleged company culture mentality

to "push it through so we can get paid". The SEC also completely ignores the no comment PCAOB inspections in 2010, 2013 and that Wahl and A&C spent thousands of dollars on training professional staff and hiring quality control advisors to assist with managing the Firm's risk management.

The SEC staff assert that there are no legal arguments provided by Wahl and Respondents. This overlooks that Wahl and other Respondents have analyzed the applicable accounting standards including FASB and PCAOB (ASC 805, ASC 820, AU 722 and especially FASB Statement 167 and ASU 2015 -02), which the SEC's expert stumbles on. At his deposition, Harris Devor could not recall or reference specific applicable standards despite having billed significant amounts believed to exceed hundreds of thousands of dollars to pro ide his expert opinion[1].. The auditing standards the expert was attempting to remember, were not even the required and applicable PCAOB standards that are relevant for this case. Wahl suggests that this could potentially be attributable to his lack of public company audit experience over the last 29 years ago. Mr. Devor's last public company audit pre-dates the PCAOB Wahl asserts that the SECs expert's lack of public company audit experience, valuation experience and lack of experience in the cannabis industry disqualify him from testifying as an expert in this matter.

As the SEC cannot make its case by merely focusing on the alleged accounting standards that Wahl allegedly failed to comply with, the SEC is left with having to attack "excessive staff turnover" as the apparent cause of the improper professional conduct. What the SEC apparently overlooks is that this is largely attributable to the Firm operating in a competitive market for competent staff plus A&C maintaining a high standard for its staff to meet the expectations of the SEC and the PCAOB. Client turnover is attributable to the Firm's high standards to fire clients, reflected by the fact that they fired Cannavest. The firm would review its clients on a quarterly basis and rank them from A to C and F. A and B clients were managed and maintained for the long term. C clients were managed to get them to improve

[1]Incredulously, Mr. Devor could not specifically recall or provide a reliable estimate as to his exact, but obviously significant fees.

internal controls, etc. and F clients were terminated and or asked to leave. Many clients obtained in 2009 were clients right up until the SEC's reckless and irresponsible press release on December 4, 2017. This is hardly a reflection of a firm with a "rubber stamp" mentality.

Through Wahl's career he was always proud of finding audit adjustments and would joke with staff that he wished he could be paid by the audit adjustment. Wahl was never afraid to tell a client that they were acting inappropriately or that they could not sign off on the audits or reviews. Wahl fired many clients and refused to sign off on many clients over his career and did the same even more so at A&C. By way of example, Anton & Chia, LLP, Wahl and Respondents, refused to sign off on the audit for James River Holdings Corporation. James River sued Anton & Chia and Wahl. Anton & Chia and Wahl ultimately prevailed with the judge awarding audit and legal fees to A&C and Wahl. https://www.pacermonitor.com/public/case/1803699/James_River_Holdings_Corporation_v_Anton_and_Chia_LLP_et_al. This is not the work of an "audit opinion mill". A&C and Wahl went through six months of due diligence with a private equity firm, travelling to New York on multiple occasions working on integration plans to merge in 4 to 5 other firms. The $9.0MM funding was approved, however, the SEC moved forward with an enforcement action that destroyed the creation of 100s of jobs and a $20MM plus in annual revenues simply b/c the SEC didn't like the working papers for the three named registrants. Wahl previously calculated the average hours worked during busy season and other times by employees. The average hours worked during busy season was 47.1 hours and during non-peak times was 40.6 hours per week. The workload is substantially below industry standards for a professional accounting firm that works with public companies.

In terms of being remorseful, Respondents will demonstrate that they did nothing wrong, other than make tough judgments about non-routine transactions based on competent auditing evidence. Respondents had a successful firm. Now Respondents are insolvent. Sanctions including either a bar as to his right to practice before the SEC or disgorgement of any significant monies previously earned would

be punitive and not remedial as is generally required. Wahl cannot presently afford legal representation in this enforcement action let alone hundreds of thousands of dollars in penalties. That the SEC has ruined their lives without basis, and assuming that they prove that there was nothing improper, Respondents have good cause to be upset, particularly as they intend to demonstrate that none of the transactions involves fraud, recklessness or even mere negligence.

APPLICABLE LEGAL STANDARD

As stated in *Dearlove v SSEC* 587 F. 3d. 801 (Dist. Col._ Cir. 2009) The Rule defines three classes of improper professional conduct for accountants: (1) intentional or knowing conduct, including reckless conduct, that results in a violation of applicable professional standards, *17 C.F.R. § 201.102(e)(1)(iv)(A)*; (2) a single instance of highly unreasonable conduct that results in a violation of applicable professional standards, *17 C.F.R. § 201.102(e)(1)(iv)(B)(1)*; and (3) Repeated instances of unreasonable conduct, each resulting in a violation of applicable professional standards, that indicate a lack of competence to practice before the SEC. *17 C.F.R. § 201.102(e)(1)(iv)(B)(2)*. The three transactions at issue involved highly complex and non-routine matters. Wahl will demonstrate that he followed the appropriate accounting standards and that there is no evidence suggesting that he committed any actionable misconduct as defined by the referenced three pronged standards.

Cannavest

The matter at issue involved the accounting for Cannavest's acquisition of assets of PhytoSPHERE Systems, LLC ("Phytosphere"), a subsidiary of Medical Marijuana, Inc. As disclosed in CannaVest's 2013 Form 10-K, on December 31, 2012, Cannavest (then operating as Foreclosure Solutions, Inc.) entered into an Agreement for Purchase and Sale of Assets (the "Acquisition Agreement") with Phytosphere whereby upon the closing of the transaction, Cannvest acquired certain assets in exchange for 5,825,000 shares of common stock. Cannavest also paid $950,000 as consideration for Phytophere, also not addressed by the SEC. The acquisition was detailed in a Form 8-K that Cannavest filed with the Commission on February 12, 2013. From February 12, 2013 to March 31, 2013, 23,100 shares exchanged hands on the OTC markets.

The opening price on February 12, 2013 was $5.00, the high was $6.00 per share and the closing price was $4.60, which is very close to matching the collar determined in the Phytosphere contract. The Form 8-K disclosed that Cannavest acquired the assets, "in exchange of an aggregate payment of $35,000,000, payable in five (5) instalments of either cash or common stock of (Cannavest), in the sole discretion of Cannavest." The agreement provided that if all or part of the purchase price was paid by the issuance of Cannavest stock "the number of shares issuable shall be determined by reference to the closing price of (Cannavest's) common stock the day prior to issuance,; provided, however, that in no event shall the price per share be greater than $6.00 per share or less than $4.50 per share." From February 12 to March 31, 2013, 23,100 shares exchanged hands and the stock price ranged from $4.5 per share to $24.50 per share. Hardly an "Illusory" price or a nominal valuation.

In Q2, A&C and Wahl met with the Company in person. Wahl explained that during the engagement he made various calls to the Cannavest management and its SEC counsel to discuss relevant transactions. Wahl was on conference various calls with A&C staff and Cannavest management and its legal counsel. A&C and Wahl further noted payments in cash made pursuant to the Acquisition Agreement. Wahl testified, among other things, the Firm looked at actual revenues and projections and found them reasonable (Wahl Testimony, 291:15-293:5).

Review procedures involve substantial professional judgment based on much more limited testing and analysis than is required for an audit. The impairment of the goodwill recorded in the third quarter identified by Wahl was based on Cannavest not meeting expected projections in the third quarter of 2013. Richard Canote became very hostile with Wahl when Wahl told him to write off the goodwill.

The Division is assuming that the basis for the write off of the goodwill was determined solely relating to receiving the third party valuation report received by CannaVest in Q3. Wahl has explained this in multiple depositions that this is not the case. It was CannaVest missing its revenue and profitability projections that triggered the impairment of the goodwill. The valuation report was not accurate and was not "FINAL".

Cannavest did not receive a final third party valuation report until March 2014. Almost six months after A&C terminated Cannavest as a client. The SEC states that Wahl changed his testimony but makes no reference to this previous testimony.

The valuation report also was not accurate and was only a "Draft" and not a "Final" report. Utilizing an inaccurate and a "Draft" report to restate Q1 and Q2 financial statements would not be a prudent action by an auditor. A&C and Wahl acted appropriately based on the information provided by Cannavest management leaving the provisional amounts for Q1 and Q2 and impairing the entire amount of goodwill in Q3. There were no triggers in Q1 and Q2 based on management meeting its revenue and profitability expectations to impair (i.e. restate) the goodwill in Q1 and Q2. Therefore, restating Q1 and Q2 based on the information provided to A&C and Wahl would not be in agreement with US GAAP and GAAS. A&C and Wahl had no basis or requirement to restate Q1 and Q2 based on the information provided by Cannavest's management.

Fair Value of Consideration: Based upon a $35 million acquisition price, in reviewing that number, the Firm considered several factors. First, the Firm considered the fact that the Acquisition Agreement itself identified that as the purchase price. Cannavest effectively represented that the acquisition was an arms-length transaction. Years after A&C and Wahl completed the accounting work, in November 2017, Wahl received SEC comment letters that indicate Mona worked for MJNA as a consultant, which was never communicated to A&C, Chung and Wahl. The management representation letter for Q1 stated that any related-party transaction had been properly disclosed. The Phytosphere acquisition was not identified as a related party transaction. The management representation letters for Q2 and Q3 made the same representation. There was no observable evidence based on inquiry and analytics that would determine that it was <u>not</u> an arms-length transaction. In determining the fair value of the assets acquired, the arms-length nature of the Acquisition Agreement would be strong support for Cannavest's determination of fair value of the assets and liabilities documented in the Acquisition Agreement.

In accordance with ASC Topic 850 (ASC 805), Business Combinations, the consideration transferred (i.e. the purchase price) in a business combination should be measured at fair value. The consideration transferred can take on many forms, including equity interests issued by the acquirer. The acquirer measures the fair value of the issued equity instruments on the acquisition date and includes that amount as part (or all) of the consideration transferred. The equity instruments issued are often and legitimately, the acquirer's own common stock. The SEC's expert argues that the fair value was based upon an artificial stock price because of the complete absence of any trading but as discussed, there were 23,100 shares traded in the one month period following the close of the transaction, such that factual premise of the SEC's expert is flawed. (Brief, Exhibit B)

In addition, the stock price as provided in the Acquisition Agreement supported the same assessment of the assets. The stock issued to Phytosphere as disclosed in the Form 10-Q for Q1 was issued at a value of $5.00 per share. As of the date of the filing of that 10-Q, 900,000 shares had been delivered on January 29, 2013 for a payment of $4.5 million based upon a quoted market price of $5.00 per share and 1,000,000 shares had been delivered on April 1, 2013 based upon a quoted market price of $6.00 per share for payment of $6.0 million. As of April 1, 2013, the stock closed at $10.50 per share. The 10-Q was filed May 20, 2013. That day the stock closed at $11.11 per share, which is almost 85% to 122% over the purchase price of the shares used in the Phytosphere agreement. The price provided by the agreement was significantly discounted from the market value of the shares and therefore provides a reasonable basis for the determination of fair value. From February 12 to March 31, 2013, 23,100 shares exchanged hands and the stock price ranged from $4.5 per share to $24.50 per share, which further demonstrates that the transaction was not "Illusory" or deserving of a nominal valuation.

`The fair value of the common stock is measured in accordance with ASC Topic 820, Fair Value Measurement. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between a market participants at the measurement date. Quoted

market prices in active markets for a company's common stock are often not available in the determination of fair value. In such cases, other inputs should be considered to determine fair value, including the use of quoted prices for common stock in markets that are not active or by using other valuation techniques. While quoted prices in markets that are not fully active may not always be appropriate in measuring fair value, that price should not be ignored as valuation techniques should maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Judgment is needed when evaluating the relevance of such observable market data inputs in determining if any further adjustments are necessary to estimate the fair value of the common stock (See ASC 10-05-1B and 1C).

Notably, subsequent trading data demonstrates that the prices per share used for the valuation of the installment payments was substantially less than the market price of the shares. On March 31, 2014, 301,924 shares traded at prices between $22.90 per share and $40.00 per share, ultimately closing at $30.00 per share. Two weeks later, 444,494 shares traded and the stock closed at $28.60 per share. Thus, even in hindsight, looking at an active market, following the release of audited financial statements, the additional input of looking at market price as the fair value of the consideration for the purchase price appears to be reasonable. From February 12, 2013 to March 31, 2013, the 23,100 shares traded for Cannavest on the OTC markets and the contention of the SEC's expert that the stock did not trade is factually incorrect.

Even though this was not an audit, AU 328, it notes that "Management is responsible for making the fair value measurements and disclosures included in the financial statements." Additionally, even audit standards acknowledge than in the absence of observable a market prices, fair value measurements can be complex and require a number of assumptions. AU 328 also notes that fair value measurements (i.e. such as a valuation report) are "inherently imprecise". Therefore utilizing the fair market value of the stock in a trading market is the best source of fair value indicating that A&C, Wahl and Chung's application

of the fair value standards in its reviews of Cannavest and its application to the Phytosphere transaction were more than reasonable.

The November 4, 2014, comment letter with the SEC's Division of Corporate Finance states that the "During the call on September 19, 2014, Mr. Woody notified the company that the Commission disagrees with our position on the valuation recognized and accounting treatment on the Company's acquisition of Phytosphere Systems, LLC ("Phystosphere Acquisitions") as reported on Form 10-K filed on March 28, 2014 with the Commission (the "Form 10-K"); and that the Company should restate its 2013 financial statements to reflect the contract value at $35 Million of the acquisition and record an immediate impairment of goodwill of approximately $27 million." SEC Corporate Finance essentially agreed with Respondents' accounting treatment but astonishingly, Enforcement seeks to disavow this. The Company appealed its decision to restate its financial statements. The Commission disagreed with the Company and agreed with A&C's analysis of the fair value of the consideration. This is almost a year after Respondents terminated Cannvest as a client. "On September 19, 2014 call Mr. Woody explained that the Company could appeal the Commission's decision to restate."

Today Cannavest trades at a market capitalization of over $300,000,000 and with average of 450,000 shares traded daily. The SEC brought alleged charges against A&C and Respondents under SEC Rule of Practice 102(e) for engaging in what it deemed "reckless" and "highly unreasonable" conduct in violation of AU 722, Interim review standards. As AU 722 is a very low standard, only provides no assurance, negative assurance and does not provide investors with any assurance. The SEC's order should be set aside.

The pertinent AU 722, interim review standards are highly discretionary and leave it to the auditor's professional judgment whether there is sufficient, competent evidence to support an informed opinion that the Phystosphere transaction was correctly recorded in accordance with US GAAP. In

accordance with these standards, A&C and Respondents gathered evidence concerning the accounting and notably the fair value of the consideration in the Phytosphere transaction, and exercised their judgment, in light of their twenty years' professional experience, to determine that this evidence was sufficient and competent to support the very low standard for a review engagement that based on inquiries, analytics and management representations that the Phytosphere transaction was properly reported. The evidence included, among other matters, the supposed arms- length transaction, that company shares traded and that the market price for shares was actually above the artificial collar price set by the acquisition agreement.

John Misuraca's report, the numbers utilized in his expert report were even more conservative than the Vantage Point projections utilized by Cannavest management and provide an optimal situation that even at more conservative numbers the fair value of the consideration is reasonable at $35,000,000. Projections existed. Misuraca looked at the projections and found the valuation in line and reasonable based given the projections. That the Company is now worth more than $300 million suggests that the valuation in the first instance was spot on or even extremely conservative.

The SEC second-guessing A&C and Respondent's judgment is "revisionist history". and determined with hindsight that they did gather sufficient evidence to support its analytics and inquiries, when officially, no information was required by AU 722 . The SEC's findings did not, however, establish that A&C and Respondent's engaged in "reckless" or "highly unreasonable" conduct that violated GAAP and GAAS. Indeed, there was not even substantial evidence that A&C and Respondents violated GAAP and GAAS. The SEC's findings that A&C and Respondents violated GAAP and GAAS were made under an erroneous application of GAAP and GAAS in which the SEC merely substituted its hindsight judgment for A&C & Respondents contemporaneous professional judgment. The SEC simply looked at the restatements to the quarterly reviews made by the new auditor based on hindsight assumed that Wahl and

Respondents did something wrong, they didn't like the industry that Cannavest operated, didn't believe the valuation was accurate but current market results for Cannavest share price prove otherwise.

In sum, A&C and Respondents did not exercise their professional judgment in a "reckless" or "highly unreasonable" manner. As the SEC stated in the release adopting Rule 102(e), an auditor does not act recklessly unless they act with scienter, that is, they have actually known that his conduct presented a danger of misleading investors or this danger must have been "so obvious" that the auditor must have known about it. In this case, Mike Mona and Cannvest intentionally mislead A&C by failing to disclose that he was a related party, then changing his mind on the valuation of Cannavest and implying that the entire Phytosphere agreement was simply not a valid arrangement. Any findings of wrongdoing or fraud should be based on Cannavest and Mona' failure to properly disclose for which Wahl cannot be held responsible. A violation of GAAS alone, even if "extreme," is not enough to show scienter. Here, the SEC made no findings, nor was there any evidence, that A&C and Respondents acted with scienter. In fact it is clear that based on the SEC comment letters that Mike Mona and Cannavest intentionally mislead A&C in that they represented the Phytosphere was an arm's length transaction when it was not, they never communicated with A&C that they didn't believe in the valuation of Phytosphere, they never discussed this illusory valuation and they never provided any reason(s) to believe that the financial information provided to A&C was incomplete, required future restatement or that it was simply incorrect. Without providing any explanation or prior notice to A&C and Respondents, the SEC has shorn the scienter requirement from the "reckless conduct" standard in Rule 102(e)(1)(iv)(A). For this reason alone, the SEC's conclusion that A&C and Respondent's conduct rose to the level of "reckless" should be rejected.

A&C and Respondents also did not act in a "highly unreasonable" manner. They recognized that the Phytosphere transaction at issue, required additional scrutiny; they gathered evidence from multiple

sources concerning whether the Phytsophere transaction was appropriately recorded in accordance with ASC 805 and ASC 820, which is in accordance with US GAAP and GAAS. In the SEC's judgment, A&C and Respondents should have gathered "additional competent evidence," but it made no findings, nor was there any evidence, that A&C and Respondents either failed to exercise his professional judgment or exercised it improperly, more over this is a review engagement and the standard to obtain "additional competent evidence", does not exist or the standard is very low, especially, considering Mike Mona and CannaVest completely misrepresented all facts including the related party nature of the transaction. What other lies were made during our review engagements. Moreover, even if A&C and Respondents might be deemed to have made an error of judgment, which they did not and there was no substantial evidence that they did, the SEC's adopting release pronounced that an isolated error of judgment is not "highly unreasonable" conduct.

ACCELERA

On November 20, 2013, Accelera executed a Stock Purchase Agreement (the "SPA") and its wholly owned subsidiary, Accelera Healthcare Management Service Organization LLC ("Accelera HMSO"), executed an Operating Agreement with Blaise J. Wolfrum, M.D. and Behavior Health Care Associates, Ltd. ("BHCA"). Accelera acquired 100% of the 100,000 issued and outstanding shares of BHCA from Dr. Wolfrum. Accelera HMSO as a wholly owned subsidiary of Accelera will operate BHCA in accordance with the Operating Agreement. Effective November 20, 2013, the Company entered into an employment agreement with Blaise J. Wolfrum, M.D., as the President of the Accelera business unit "Behavioral Health Care Associates" reporting to John Wallin, CEO of Accelera. In consideration of the services, the Company agreed to issue a stock option to purchase Six Hundred Thousand (600,000) shares of the Company's Common Stock under the terms of the Company's 2011 Stock Option Plan at an exercise price of $.0001 per share. The Six Hundred Thousand (600,000) shares shall vest over the course of the Three (3) years, earned annually, at Two Hundred Thousand (200,000) shares each year; after the commencement of

employment so long as he remain an employee of the Company. Furthermore, the shares are subject to a Six (6) month lock-up agreement and a Twenty Seven (27) month leak-out agreement limiting the sale of shares over the period. Notwithstanding the foregoing, in the event of a closing of a Change of Control transaction, all options from the agreement shall immediately vest and become fully exercisable. The employment agreement with Dr. Wolfrum provides that the Company shall pay Blaise Wolfrum a base salary of $300,000 per year to be paid at the times and subject to the Company's standard payroll practices, subject to applicable withholding.

BHCA is a legal entity that is controlled by HMSO by transfer of shares, by executing an Operating Agreement with HMSO and the employment Agreement with Blaise J. Wolfrum. BHCA and Blaise J. Wolfrum signed an employment contract whereby Wolfrum reported to John Wallin, CEO of Accelera. The SEC argues that the 100,000 shares were not transferred to create control by virtue of the voting interest model under the SPA. The SEC seems to ignore provisions 2.1 and 2.2 of the contract, which are unclear as to what constitutes control and closing of the contract but as evidenced by the employment agreement, the operating agreement and the fact that Accelera completed the audits of BHCA for 2013, 2014 and 2015 with full cooperation from Blaise J. Wolfrum and his staff. Both parties (Accelera and BHCA) agreed that BHCA should be consolidated by Accelera given the transfer of control to Accelera.

Both the operating agreement and employment contract contractually obligated Blaise J. Wolfrum to report to Accelera's board of directors, a point which the SEC ignores. These contracts vested Accelera with the power to direct and control the activities of the acquired entity (BHCA).

A third factor under the SPA that further creates the economic interest in BHCA supporting consolidation were the obligations contractually owed to Blaise J. Wolfrum as debt which is an economic interest that under the SPA could not be avoided by Accelera even though Accelera defaulted on these arrangements. The lack of payment does not constitute the ability to avoid the obligation as Accelera also fully recorded the obligations on Accelera's balance sheet. A&C obtained confirmation of these

obligations as part of its audits and Accelera fully disclosed the terms of the debt obligations under the SPA in the note. When Accelera did default they provided Blaise J. Wolfrum with consideration each time and they both "mutually" revised the SPA for a new payment schedule. Blaise also continued to work with Accelera until 2016.

Pursuant to the SPA, the Company shall pay to Dr. Wolfrum Four Million Five Hundred Fifty Thousand Dollars ($4,550,000), (the "Purchase Price"), of which One Million Dollars ($1,000,000) shall be payable Ninety (90) days from the date of Closing and, the amount of Seven Hundred Fifty Thousand Dollars ($750,000) shall be paid One Hundred and Eighty (180) days from Closing, the aforementioned payments dates has been verbally extended until the Company receives financing. The balance of the Purchase Price, Two Million Eight Hundred Thousand Dollars ($2,800,000), shall be paid in Three (3) payments of Seven Hundred Fifty Thousand Dollars ($750,000) and a final payment of Five Hundred Fifty Thousand Dollars ($550,000) beginning Two Hundred Seventy (270) days after closing, and every three months thereafter until the Purchase Price is paid in full.

On May 30, 2014, Dr. Wolfrum and Accelera Innovations agreed to move the payment schedule of the SPA to the following: One Million Dollars ($1,000,000) shall be payable on May 31, 2015, Seven Hundred Fifty Thousand Dollars ($750,000) shall be payable on July 30, 2015 and Two Million Eight Hundred Thousand Dollars ($2,800,000) shall be payable on December 31, 2015.

The basis of consolidating BHCA into Accelera is due to the fact that they 1) agreed to a change in control with the signing of the SPA, most of the conditions of closing were completed for closing on November 20, 2013, the basis of signing of the agreement would include clear intentions of creating a parent subsidiary relationship between Accelera and BHCA; 2) Accelera has the power to direct the activities of BHCA that mostly impact the economic performance of BHCA by the signed employment agreement and the operating agreement (contractual interests further indicate that the intent was to create a parent (Accelera) and subsidiary relationship (BHCA)); 3) the SPA creates an economic interest

and financial obligations by Accelera to BHCA and Blaise Wolfrum that cannot be avoided. The SPA creates unavoidable economic interest in BHCA for Accelera. The agreements provide that Accelera acquired 100% of the 100,000 issued and outstanding shares of BHCA from Dr. Wolfrum and that Accelera HMSO, as a wholly owned subsidiary of Accelera, acquired the right to operate BHCA in accordance with the Operating Agreement with Blaise Wolfrum reporting to the Accelera Board. The Operating Agreement did not state that there was no right to operate and or that the operations need not be reported to or supervised by Accelera in the event of default. Based on the factors identified above, Accelera should have consolidated BHCA during the 2013, 2014 and 2015 year end audits. Under FASB Statement 167 and ASU 2015 -02, the primary factor for consolidation of an entity are:

1) *It has the "power" to direct the activities of the company that most significantly affect the company's economic performance and*

   The employment contract and the operating agreement provide Accelera with the "power" to direct the activities of BHCA and qualifies for consolidation. Under this regulation all that is required that Accelera has the "power" to do so. They don't actually have to enforce this "power" to require consolidation. Having the "power" provides sufficient basis for consolidation. Further indication is the creation of the subsidiary "Accelera HMSA" and that BHCA completed its quarterly and annual financial reporting requirements for Accelera from 4th quarter 2013 to year end 2015.

2) *Has a variable interest in the company that is potentially significant.*

The SPA creates a variable interest in BHCA that is unavoidable for the $4.5MM liability to Blaise Wolfrum. This obligation continued to be owed until the completion. This factor alone in the SPA would qualify it for consolidation since the obligation created by the $4.5MM debt owed to Wolf is almost as significant as the purchase price determined the SPA. Clearly a significant and unavoidable variable interest requiring consolidation.

The conclusions reached under FASB Statement 167 and ASU 2015-02 implemented as a result of the Enron debacle, would require BHCA to be consolidated by Accelera, as Accelera has to direct the activities of the company that most significantly affect the company's economic performance and Has a variable interest in the company that is potentially significant. The fact that share ownership was not to be transferred until there was payment in full does not obviate the transfer of control. Not consolidating Accelera under FASB Statement 167 and ASU 2015-02, would potentially create another "Enron situation" where material debt obligations would have remained off of the financial records for Accelera. This would create a material misstatement to the financial statements and distort Accelera's financial position. Accelera's CFO failed to properly discharge his obligations in that even at this late date, there is no consolidation memorandum that would determine whether BCHA would be consolidated or not. Its Accelera's management's responsibility to write the memorandum as required by US GAAS.

The SEC charges that A&C and Respondent Wahl violated SEC Rule of Practice 102(e) for engaging in what it deemed "reckless" and "highly unreasonable" conduct in violation of generally accepted auditing standards ("GAAS"). Its order should be set aside. The pertinent auditing standards are highly discretionary and leave it to the auditor's professional judgment whether there is sufficient, competent evidence to support an informed opinion that BHCA was correctly recorded in accordance with US GAAP and GAAS. As previously explained, FASB Statement 167 and ASU 2015-02 are extremely complex but in this situation the fact pattern based on the employment agreement, the creation of the new subsidiary,

the associated operating agreement and the economic interest in the unavoidable debt obligation created by the SPA ensures that consolidation of BHCA was and is entirely appropriate. In accordance with these standards, A&C and Respondents gathered evidence concerning the consolidation of BHCA from multiple sources, and exercised their judgment, in light of their twenty years' professional experience, to determine that this evidence was sufficient and competent to support an informed opinion that BHCA should be consolidated as of December 31, 2013 and 2014.

The SEC has now second-guessed A&C and Respondent's judgment and determined with hindsight that they did not gather sufficient evidence to support his professional opinion. The SEC's findings did not, however, establish that A&C and Respondent's engaged in "reckless" or "highly unreasonable" conduct that violated GAAP and GAAS. Indeed, there was not even substantial evidence that A&C and Respondents violated GAAP and GAAS. The SEC's findings that A&C and Respondents violated GAAP and GAAS were made under an erroneous application of GAAP and GAAS in which the SEC merely substituted its hindsight judgment for A&C & Respondents contemporaneous professional judgment. However, the SEC ignores substantial areas of GAAP by failing to properly analyze the transaction under FASB statement 167 and ASU 2015-2, which would result in an Enron style accounting mess with material off the books and undisclosed transactions.

In any event, A&C and Respondents did not exercise his professional judgment in a "reckless" or "highly unreasonable" manner. As the SEC stated in the release adopting Rule 102(e), an auditor does not act recklessly unless he acts with scienter, that is, he has to have actually known that his conduct presented a danger of misleading investors or this danger must have been "so obvious" that the auditor must have known about it (and no investors were actually misled). A violation of GAAS alone, even if "extreme," is not enough to show scienter. Here, the SEC made no findings, nor was there any evidence, that A&C and Respondents acted with scienter.

A&C and Respondents also did not act in a "highly unreasonable" manner. They recognized that the BHCA consolidation issue, required additional scrutiny; they gathered evidence from multiple sources concerning whether BHCA was appropriately consolidated and ensured that it was fully disclosed in the financial statements to ensure that the consolidation was in accordance with US GAAP and GAAS. A&C and Respondents exercised their professional judgment to determine that they had marshaled sufficient, competent audit evidence to support an audit opinion that BHCA was appropriately recorded and accounted for GAAP and GAAS. In the SEC's judgment, A&C and Respondents should have gathered "additional competent evidence," but there is no evidence, that A&C and Respondent Wahl either failed to exercise appropriate professional judgment or exercised it improperly. Moreover, even if A&C and Respondents might be deemed to have made an error of judgment, and there was no substantial evidence that they did, the SEC's adopting release pronounced that an isolated error of judgment is not "highly unreasonable" conduct particularly since the financial reporting included a going concern disclosure, plus Accelera had material losses and A&C proposed material audit adjustments and material weaknesses in internal control.

Finally, if the statements had not been consolidated, the SEC could have raised concerns that Accelera's material liability to complete the purchase of BHCA was misleading. Also, the net difference between reporting as consolidated and reporting as unconsolidated was immaterial especially when evaluated in light of the going concern qualification whereby A&C and Respondents noted that there was "substantial doubt that Accelera would continue to operate as a viable entity.

PREMIER

1. The Note

Premier had an annual loss in 2012 when the Note was booked into the financial statements and another annual loss in 2013 when the transaction was unwound. The SEC completely ignores this fact

including that the valuation of the Note at $0 (the SEC position) as opposed to $869,000 (Respondents' position) was immaterial. Premier obtained a valuation by a third party accredited and licensed valuation expert, Doty Scott. The Note was booked at an approximately 83% discount from its face value based on the valuation spreadsheets prepared by Doty Scott. As described in the previously submitted declaration of William Holder who is the Dean of the Leventhal USC School of Accounting , the Note was booked at fair market value as required by US GAAP. As of December 31, 2013, there was no indicators that determined that the Note was impaired. Therefore, obtaining a third party valuation report as of December 31, 2013 was not required, as the Note was recorded at its fair market value upon recording in the financial statements. The note had an appropriate valuation as the shares returned was 7,500,000 (supported by board of director minutes in February 27, 2014) shares not 2,500,000 shares as falsely claimed by the SRC. So, the valuation of the share consideration was $1,125,000 that is substantially above $869,000 note in the financial statements of Premier. This is a significant event and obviates the need to subsequently finalize the valuation report.

The SEC position is also based on a number of factually inaccurate claims that are all recent inventions relating to Doty Scott's communications including the assumption that Doty Scott had advised that the draft spreadsheets were based on outdated projections of a different company. As documented in the work papers, this is not the case and not what was contemporaneously communicated to Wahl. Doty Scott told A&C to utilize the $869,000 for its audit. If there was a problem with the spreadsheet why wouldn't they tell A&C? Doty Scott knew we were relying on his work. William Holder confirmed that the spreadsheets Wahl and Wen have testified on multiple occasions that they communicated with Doty Scott and confirmed that the $869,000 valuation should be utilized.

Any communication <u>not</u> received by Doty Scott or information provided <u>after</u> the subsequent audit of Premier 2013 has no relevance and bearing on completing the work for 2013 audit. There is no requirement in US GAAP or GAAS to obtain a valuation report for a note that was booked at its best

estimate at 83% discount from its face value and to obtain an updated report a year later for an asset that was settled for $1,259,000 shortly after year end but before the audit report was issued. Even if the note was not settled subsequent to year end. The spreadsheet support from Doty Scott is sufficient and appropriate audit evidence. The SEC's position is not only factually inaccurate, it defies common sense.

Wahl and Wen had a conference call with Randall Letcavage that the number of shares to settle the note was 7,500,000 shares on February 27, 2019. This was made in the compromise agreement by 5,000,000 and 2,500,000 shares, respectively. The Compromise agreement is very clear on which shares settled which obligations.

Even if the numbers for the spreadsheets were not updated from 2011 and 2012 numbers, basic finance theory states that historical financial results are the best, most conservative and reasonable estimate of future financial results. Therefore, utilizing historical numbers to determine the valuation of an asset or a company us not an unreasonable methodology.

The SEC asserts that Winkler's 5,000,000 shares are not part of the note settlement. This is fuzzy logic but based on representations by CEO Randall Letcavage this should have been utilized in the offset of recording the note disposition. Even if the 5,000,000 did not offset the note directly. The transfer of the 5,000,000 shares would be a non-routine gain booked in the income statement and it would still offset the financial implications of the note. Again, no material errors to the financial statements and no risk to the users of the financial statements.

In sum, the Note was appropriately accounted for as of December 31, 2013 and fully complied with US GAAP and GAAS.

2. <u>TPC Acquisition</u>

The agreement and the transaction as per the acquisition contract clearly stated that no assets and liabilities were assumed as part of the TPC transaction for Premier was for the "ongoing" operations of TPC. Not the historical operations. A&C also went through comment letters with the SEC's Division of

Corporate Finance pertaining to the accounting for TPC transaction. No restatements. Additionally, Premier could not provide any audit support for the Accounts Receivable and the Customer list to allocate from the goodwill. Therefore, they had to record the purchase price allocation to goodwill. Even if there was support for the customer list. It would be a reclass entry on the balance sheet. No impact to earnings or revenues. Not considered significant to a user of the financial statements to make an investment decision therefore, there is no fraud, no negligence, no recklessness. The accounting for the transaction materially complied with US GAAP and GAAS in all respects.

Additionally, the SEC alleges that Premier's Goodwill was impaired. Per accordance with paragraphs **ASC 350-30-35-18B** to **ASC 350-30-35-18F,** there are no indicators of impairment. Premier's revenue growth from 2013 to 2014 was $1.8MM to $4.828MM (this is a 168.2% increase or in dollars $3.028MM increase in revenues) an (Gross Profit was $1.458MM in 2014 and $1.766MM in 2013). This was supported by management's plans and projections being provided to A&C as part of an annual impairment test as required by **ASC 350**. The significant growth in Premier's revenues and gross profit. Premier's ability to raise money from third party investors indicates that the goodwill was not impaired.

On March 23, 2018, the Company's Board of Directors (the "Board") approved a Membership Interest Exchange and Contribution Agreement, as amended, (the "Share Exchange Agreement") by and among the Company, the Company's wholly-owned subsidiaries The Power Company, an Illinois limited liability corporation ("TPC") and American Illuminating Company, L.L.C., a Connecticut limited liability corporation ("AIC"), and AOTS 42 ("AOTS"), a Delaware corporation. The Share Exchange Agreement was subsequently executed on March 23, 2018, and amended on October 15, 2018.

Under the terms of the Share Exchange Agreement, among other things, the Company will contribute all of its membership interests of its wholly-owned subsidiaries TPC and AIC to AOTS, in exchange for 19,250,000 AOTS common stock shares, $0.0001 par value per share, representing approximately 39.65% of the 48,550,000 issued and outstanding common shares of AOTS on a fully-

diluted basis, after giving effect to such issuance (the "AOTS Shares"). The valuation of the 19,250,000 AOTS common stock shares are $19.25 million. The purchase price and the goodwill related to the TPC transaction was appropriately accounted for as of December 31, 2013 and fully complied with US GAAP and GAAS.

3. There is No Basis for the SEC's Charges

The SEC brought alleged charges against A&C and Respondents under SEC Rule of Practice 102(e) for engaging in what it deemed "reckless" and "highly unreasonable" conduct in violation of generally accepted auditing standards ("GAAS"). Its order should be set aside. The pertinent auditing standards are highly discretionary and leave it to the auditor's professional judgment whether there is sufficient, competent evidence to support an informed opinion that a Note was correctly recorded in accordance with US GAAP and GAAS. In accordance with these standards, A&C and Respondents gathered evidence concerning the collectability, valuation and accounting for Note receivable from multiple sources, and exercised their judgment, in light of their twenty years' professional experience, to determine that this evidence was sufficient and competent to support an informed opinion that an approximately $869,000 Note receivable was collectible, appropriately valued and the accounting reported correctly. Assuming *arguendo*, that the opinions were based on the Doty Scott valuation that Doty Scott advised were reliable, this alone would provide a sufficient basis for recording the Note at $869,000. That the Note was then resold for a higher value several months later further demonstrates that A&C did not act recklessly or improperly in any way. In fact, A&C and Wahl operated with a high degree of professional standards to ensure the integrity of Premier's financial statements.

Respondent Wahl did not exercise his professional judgment in a "reckless" or "highly unreasonable" manner. As the SEC stated in the release adopting Rule 102(e), an auditor does not act recklessly unless they acts with scienter, that is, they has to have actually known that their conduct

presented a danger of misleading investors or this danger must have been "so obvious" that the auditor must have known about it. Again, with the "going concern" disclosure. this argument is strained as even if the Note valued in the financial statements at $869,000 had no value, this pales in comparison to the "going concern" qualification providing investors with the disclosure that there is "substantial doubt" Premier' continued viability. Also, violations of GAAS alone, even if "extreme," is not enough to show scienter. Here, the SEC made no findings, nor was there any evidence, that A&C and Respondents acted with scienter. Without providing any explanation or prior notice to A&C and Respondents, the SEC has shorn the scienter requirement from the "reckless conduct" standard in Rule 102(e)(1)(iv)(A). For this reason alone, the SEC's conclusion that A&C and Respondent's conduct rose to the level of "reckless" should be set aside.

A&C and Respondent Wahl also did not act in a "highly unreasonable" manner. They recognized that the Note receivable at issue, required additional scrutiny; they gathered evidence from multiple sources concerning whether that Note receivable was probably collectible, appropriately valued and properly accounted for the Note receivable in accordance with US GAAP and GAAS; and A&C and Respondent Wahl exercised their professional judgment to determine that they had marshaled sufficient, competent audit evidence to support an audit opinion the Note receivable was probably valued, collectible from the value of the payor entity, and the accounting for the transaction properly accounted for GAAP and GAAS. In the SEC's judgment, A&C and Respondent Wahl should have gathered "additional competent evidence," but it made no findings, nor was there any evidence, that A&C and Respondents either failed to exercise his professional judgment or exercised it improperly. Moreover, even if A&C and Respondent Wahl might be deemed to have made an error of judgment, and there was no substantial evidence that they did, the SEC's adopting release pronounced that an isolated error of judgment is not "highly unreasonable" conduct.

Georgia C. Chung

Georgia Chung only worked 3 to 5 hours on one quarterly review as an engagement quality reviewer (second partner) in May 2013 (CannaVest March 31, 2019 quarterly review). Her roles were to follow direction from the Managing Partner, Gregory A. Wahl and as a check to ensure that the audit team was acting appropriately and following the audit plan and guidelines. The fact that many years later she could not recall specifically the work she performed or what she did years ago prior to becoming a full time homemaker does not in any way suggest that she acted improperly and or that was not qualified. Nevertheless, the SEC's expert report attaches huge significance to her less than full recollection many years later as to the 3-5 hours of work she performed in the first instance. She did not engage in any professional misconduct and she fully complied with appropriate professional standards that include AU 722, Interim Financial Information; PCAOB Standard AS No. 7, Engagement Quality Review; PCAOB Standard AU § 230, Due Professional Care in the Performance of Work; also including she fully complied all appropriate professional conduct rules in accordance with the Commission's Rules of Practice.

ANTON & CHIA's SYSTEM OF QUALITY CONTROL

The 2013 and 2010 inspections completed by Wahl, Chung and A&C were clean, no comment inspections. Wahl has been involved with three no comment or clean inspection reports with the PCAOB. Interesting that Chung has been involved in three no comment inspection reports by the PCAOB.
The relevant PCAOB inspection reports are attached.

https://pcaobus.org//Inspections/Reports/Documents/2011_Anton_Chia_LLP.pdf

https://pcaobus.org//Inspections/Reports/Documents/2014_Anton_Chia_LLP.pdf

Although the PCAOB had limited comments on the 2014, 2015 and 2016 inspection reports. A&C never had to restate any of its SEC registrant clients due to any of the PCAOB's inspections of A&C's audits related to Respondents.

Inappropriate sample size to come to legitimate conclusion: In order to make a conclusion on a system of quality control as required by PCAOB standards, the public company auditor is required to

assess the design of the controls and if designed effectively, then test the operating effectiveness of those controls. In order to appropriately assess the system of quality control the SEC's expert would need to know the total population of all public company audits in each year from 2013 to 2015. The SEC's analysis is incomplete, failing to determine the frequency that the key controls operated. Respondents were working on public company audits on a daily basis and issuing reports on a weekly / daily basis. The frequency of the controls at A&C were daily, in testing the operating effectiveness of A&C's System of Quality Control the sample size would have to be 30 audits tested on an annual basis (so over 90 audits from 2013 to 2015) or more to be able to come to a proper conclusion on A&C's Systems of Quality Control.

CONCLUSION

Hopefully, it is clear what the SEC intends to permeate the proposed protracted trial with attacks as to the A&C culture and ethics about billing above all because the transactions cannot survive scrutiny. From consideration of Wahl's position, it is hopefully clear that a four week trial is both unnecessary and unfair[2]. It is unnecessary because the three primary transaction being reviewed are that complex. For example, with Accelera, the documents pertinent to the acquisition are cast in stone. The effect and appropriate accounting treatment are argument. What management stated and directed at the time and what Wahl may have done are potentially the subject of appropriate but fairly limited testimony. The same is true for the other two transactions (i.e. with Cannavest where the trading records of the stock are public record) and for Premier, the only apparent dispute is the amount the

[2]Wahl provided proposed undisputed facts which the SEC promptly moved to strike apparently because they were upset that Wahl had not submitted these facts in advance of the September 16th deadline, due to informal requests. Ironically, of the four informal requests alluded to in the SEC's heavy handed motion to strike, one was prior to current counsel's employment, one was the day before current counsel left for a ten day vacation, the third and fourth times were within the week that the proposed stipulated facts were submitted. Wahl is willing to work with the SEC on what should be stipulated but the wholesale striking of his proposals is wrong. Wahl has already responded to at least one of the SEC's requests for a stipulation as to the authenticity and completeness of his workpapers as potentially excluding any communications that might not be included. Wahls suggests that each side review what is on the table and respond accordingly.

note was resold for and the nature of the information provided to Wahl by Doty Scott at the time of the financial reports he signed off on.

Further and as alluded to elsewhere, each of the registrants were subject to a going concern disclosure. Whether or not the going concern disclosures insulate Respondents is a matter of pure argument. Except to casually dismiss the argument, the SEC largely fails to address this, which is a glaring deficiency in their arguments.

The scheduled four week trial is unfair because as it stands now, the SEC has fully staffed this case to the point where it is presently unclear how many attorneys they have lined up for the trial. Also and when as here, the evidence is thin to non-existent as to the alleged professional violations (that again, concern complicated questions as to the application of the fair value rules to non-routine transactions), to the extent possible, the matter should be disposed of by summary judgment, which is what the parties should be working towards. Instead of working towards this end, the SEC seeks to bar all of Wahls's proposed undisputed facts as apparently they assert some are argumentative or conclusory (i.e. much like virtually the entire OIP).

Wahl request that this matter be scheduled for dispositive motions and that the trial be vacated until such time that the dispositive motions are adjudicated. (*See, SEC v Brown* 658 F. 3d 858 (8th Cir. 2011) also holding that remedies should be designed as remedial and not punitive such as to bar Wahl for life from potentially being able to earn a living) as an example of a case appropriate for summary judgment. Wahl respectfully submits that this case is at least as compelling),

Dated: September 21, 2019

Barry E. Cohen, a Professional Corporation

Respectfully submitted,

/s/ Barry E. Cohen

Attorneys for the Respondents Gregory A. Wahl and Georgia Chung

Certificate of Service

In accordance with Rule 150 of the Commission's Rules of Practice, I hereby certify that a true and correct copy of the foregoing *Division of Enforcement's Request for Issuance of Subpoenas* was served on the following persons on August 7, 2019, by the method indicated:

By Fedex and email:

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