UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

Admin. Proc. File No. 3-21841

In the Matter of the Application of

Ahmed Mohidin And George Weinbaum

For Review of Action Taken by PCAOB

RESPONSE TO PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD'S MOTION FOR AND BRIEF IN SUPPORT OF TERMINATION OF THE STAY IMPOSED BY SECTION 105(e)(1) OF THE SARBANES-OXLEY ACT OF 2002

April 23,2024

Vanessa Countryman, Secretary
Office of the Secretary
Securities and Exchange Commission (SEC)
100 F. Street, N.E.
Washington, D.C. 20549-1106

Re: Matter of Ahmed Mohidin, CPA and George Weinbaum, CPA, PCAOB File 105-2019-007

Dear Ms. Countryman:

The PCAOB's Motion for and Brief to terminate automatic stay should be rejected for these reasons:

- The Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley") provides for the Securities and Exchange Commission (SEC) to have "oversight and enforcement authority over the Board" and for "review by the Commission" of final disciplinary sanctions imposed by the Board. Section 105(e) of Sarbanes-Oxley "govern[s] the extent to which application for . . . review of any final disciplinary action of the Board operates as a stay of such action." Section 105(e) provides that an application for SEC review shall operate as a stay, until the Commission

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orders that no such stay shall continue to operate. The SEC did not start its review. Laccetti's stay was denied **after** the SEC ruled against him not before.

- The statute of limitations (SOL) passed. The PCAOB claims the SOL time lapsed and the applicant forfeited it. How could I invoke the SOL before the five year SOL ran out? What is the triggering event to begin the SOL? When should I have first asserted this? On what basis does the PCAOB claim it has more rights than the SEC? In SEC vs Brian Sewell..., No. 1:24-cv-00137-UNA, filed February 2, 2024, the SEC requested tolling the SOL.

  Also see Gabelli vs SEC 133-S.Ct.1216 (2013): In 2008, the SEC sought civil penalties from petitioners Alpert and Gabelli. The complaint alleged they aided and abetted investment adviser fraud from 1999 until 2002. Petitioners moved to dismiss, arguing in part that the civil penalty claim was untimely. Invoking the five-year statute of limitations in § 2462, they pointed out that the complaint alleged illegal activity until August 2002 but was not filed until April 2008. The District Court agreed and dismissed the civil penalty claim as time barred. The Second Circuit reversed, accepting the SEC's argument that because the underlying violations sounded in fraud, the "discovery rule" applied, meaning that the statute of limitations did not begin to run until the SEC discovered or reasonably could have discovered the fraud.

  Held: The five-year clock in § 2462 begins to tick when the fraud occurs, not when it is discovered. Pp. 1220-1224.

  Kokesh vs SEC 137 S. Ct. 1635 (2017): In 2009, the Commission brought an enforcement action, alleging that petitioner Charles Kokesh violated various securities laws by concealing the misappropriation of $34.9 million from four business-development companies from 1995 to 2009. The Commission sought monetary civil penalties, disgorgement, and an injunction barring Kokesh from future violations. After a jury found Kokesh's actions violated several securities laws, the District Court determined § 2462's 5-year limitations period applied to the monetary civil penalties. With respect to the $34.9 million disgorgement judgment,

however, the court concluded that § 2462 did not apply because disgorgement is not a "penalty" within the meaning of the statute. The Tenth Circuit affirmed, holding that disgorgement was neither a penalty nor a forfeiture.

Held: Because SEC disgorgement operates as a penalty under § 2462, any claim for disgorgement in an SEC enforcement action must be commenced within five years of the date the claim accrued. Pp. 1641-1645. . "A 5-year statute of limitations applies to any 'action, suit or proceeding for the enforcement of any civil fine, penalty, or forfeiture, pecuniary or otherwise', 1639. "As to the civil monetary penalties, the District Court determined that~ 2462's 5-year limitations. period precluded any penalties for misappropriation occurring prior to October 27, 2004-that is five years prior to the date the Commission filed the complaint .... Statutes of limitations 'set a fixed date when exposure to the specified Government enforcement efforts ends" 1641. In addition, Statute of Limitations, Clearly state that the statute of limitations applies to PCAOB actions. This means that there is a specific timeframe within which the PCAOB must initiate actions or proceedings related to alleged violations or misconduct.

2. Article III Court Requirement: For Actions taken by the PCAOB, particularly in administrative proceedings, the statute of limitations is relevant. Actions taken solely within the PCAOB's administrative hearings do not count towards satisfying the statute of limitations unless a case has been filed in an Article III court.

US v. Core Laboratories, Inc. 759 F. 2d 480 (1985). The gist is as follows: It is intended the general 5-year limitation imposed by § 2462 of title 28 shall govern. Under that section, the time is reckoned from the commission of the act giving rise to the liability, and not from the time of imposition of the penalty and is applicable to administrative as well as judicial proceedings·

- The PCAOB Claims Applicants are not likely to succeed-

  My case has merit as I did not prepare, sign-off or review any documents in MJF's audit binders. Under PCAOB rules, if a work paper is not in the audit binder or not signed off, it is presumed not to exist. The emails which the PCAOB used to support its case of "participating in audits" are few and not part of any audit binder. In addition, I had no access to any audit binder. Weinbaum, was the engagement partner on all the clients. Weinbaum signed off on the audit reports as the partner and was not influenced by me or any other person.

  In addition, I received no compensation from MJF from any issuer client during the bar period. The PCAOB looked at MJF's bank statements and related analysis and found no evidence I received anything.

- The PCAOB Claims Applicant will not suffer irreparable injury- The PCAOB already informed the California State Board of Accountancy (CBA) about its Order 105-2019-007. CBA piggybacks on PCAOB's order and imposes sanctions because of which I will not be able to practice public accounting for the rest of my life thus depriving me of my livelihood. If the PCAOB counsels lose their bar licenses, won't they suffer irreparable harm? The PCAOB claims lifting the stay will cause me no "irreparable injury" is merit less!
  Will the PCAOB also claim a CPA's practice bar is no "irreparable injury"? If so,
  Why have a practice bar? The PCAOB quotes Davis Accountancy Group's case, which is irrelevant as the Davis Group had already lost its license to practice and Davis was convicted on two counts of professional conduct for practicing without a license.
- The PCAOB claims the stay is harming the public. By the PCAOB's own admission 97% of US market cap is audited by the big 4 firms; the next 10 largest firms audit approximately 1.5% of US market cap and the remaining 2,000 or so firms audit approximately 1.5% of US market cap. Therefore, one firm out of 2,000 firms can't harm any investor. The PCAOB claims investors in a small issuer are deprived of protection from PCAOB Standards. Small

investors also invest in the issuers which make up 98.5% of market cap audited by the big 4 and the next 10 larger firms. One percent is still 1% not 99%. Therefore, small investors can't be materially harmed by me or Mr. Weinbaum. We and other 2,000 or so CPA firms audit only 1.5% of the US market cap. Justice Gorsuch commented in the Michelle Cochran case," No harm no foul." I believe I am acting as a first line of defense to protect the investors from issuers filing misleading financial statements because I have over 35 years of knowledge and experience auditing public companies. The last inspection report I received from the PCAOB was a clean report for the inspection of MJF& Associates audit practice for 2015. The PCAOB inspection team selected two issuer clients of MJF & Associates in both of which I was the engagement partner and the PCAOB inspection team issued a clean report. Please see copy of PCAOB's report attached.

- I believe the PCAOB itself is harming the public. Since the formation of the PCAOB, it has created mindless drones out of the accounting profession:

  1. Mindless Form-Filling Habit: The PCAOB's focus on compliance and documentation has led to a culture of mindless form-filling in accounting firms. Instead of fostering critical thinking and deep understanding of audit issues, accountants may prioritize completing forms without fully grasping the underlying audit complexities.

  2. Lack of Understanding: Due to the pressure to comply with PCAOB requirements, some accountants may fill out forms without a comprehensive understanding of the audit issues they are addressing. This can result in superficial or inadequate assessments of audit risks and procedures.

  3. Relevance of Standards: PCAOB inspectors' inquiries about why a particular standard was not considered, regardless of its relevance to the audit engagement, can divert attention from focusing on material audit matters. This emphasis on checklist-style compliance may detract

from the auditor's ability to exercise professional judgment and tailor audit procedures to the specific risks of each engagement.

4. Compliance Over Judgment: The PCAOB's regulatory framework, while intended to enhance audit quality, may sometimes prioritize checkbox compliance over the exercise of professional judgment. This can lead to auditors feeling compelled to follow rigid procedures rather than adapting their approach based on nuanced audit considerations.

5. Impact on Audit Quality: The unintended consequence of the PCAOB's emphasis on documentation and standards compliance, without sufficient consideration of context and materiality, could be a potential decline in audit quality. Auditors may prioritize form-filling and checklist completion over critical thinking and thorough risk assessment, ultimately impacting the reliability and effectiveness of audit processes.

- The PCAOB questions whether a stay will serve public interest. Please see response in bullet point above. The PCAOB admitted it looked at nine of MJF's audits and found no problems.
- PCAOB used the word "recidivist" for me. The PCAOB did not call Christopher Andersen of Deloitte & Touche a recidivist even though Andersen's actions were far more egregious than anything I am accused of. Perhaps, there is an element of racism here. The PCAOB has been accused of racism before. That the PCAOB talked about racism in its Brief and Motion may indicate a guilt of being so.

Conclusion:

The PCAOB's motion to lift the stay should be denied and this case should be dismissed.

April 23,2024

Respectfully Submitted

[redacted]

cc: Secretary, PCAOB
Ecls:

CERTIFICATION OF COMPLIANCE WITH SEC RULE 154(c)

I, Ahmed Mohidin, certify that the foregoing response to public company accounting oversight board's motion for and brief in support of termination of the stay imposed by section 105(e)(1) of the Sarbanes Oxley act of 2002 complies with the word count limitations set forth in Rule 154(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.154(c), and that the foregoing response has 1,789 words, exclusive of pages containing the attachment, as counted by the Word Count feature of Microsoft's Word word-processing program used to prepare the response.

CERTIFICATION OF COMPLIANCE WITH SEC RULE 151

I, Ahmed Mohidin, certify that I have complied with Rule 151 of the Commission's Rules of Practice by filing my response to public company accounting oversight board's motion for and brief in support of termination of the stay imposed by section 105(e)(1) of the Sarbanes Oxley act of 2002, which omits or redacts any sensitive personal information described in Rule of Practice 151(e).

CERTIFICATE OF SERVICE

I, Ahmed Mohidin, certify that on April 23, 2024, I caused a copy of my response to public company accounting oversight board's motion for and brief in support of termination of the stay imposed by section 105(e)(1) of the Sarbanes Oxley act of 2002 to be served through the SEC's eFap system on:

Vanessa A. Countryman
The Office of the Secretary
U.S. Securities and Exchange Commission
100 F St., NE
Room 10915
Washington, DC 20549-1090

I further certify that, on this date, I caused a copy of my response to public company accounting oversight board's motion for and brief in support of termination of the stay imposed by section 105(e)(1) of the Sarbanes Oxley act of 2002 to be served by electronic service on:

Public Company Accounting Oversight Board
Office of the Secretary
1666 K Street, N.W.
Washington, D.C. 20006

And

Jerome P. Sisul
Associated General Counsel

[redacted]