

WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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**STATE OF WISCONSIN
BEFORE THE ACCOUNTING EXAMINING BOARD**

IN RE DISCIPLINARY PROCEEDINGS :
AGAINST :
 : **FINAL DECISION AND ORDER**
 WAI-CHU TONY LAM, :
 : **LS0809252ACC**
 :
 RESPONDENT. :

Division of Enforcement Case No. 06 ACC 021

The parties to this action for the purposes of Wis. Stats. Sec. 227.53 are:

Wai-Chu Tony Lam
120 North Street
P.O. Box 336
Plainfield, WI 54966

Accounting Examining Board
P.O. Box 8935
Madison, WI 53708-8935

Department of Regulation and Licensing
Division of Enforcement
P.O. Box 8935
Madison, WI 53708-8935

PROCEDURAL HISTORY

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final decision of the matter, subject to the approval of the Accounting Examining Board. The Board has reviewed the Stipulation agreement annexed to this Final Decision and Order, and considers it acceptable. Accordingly, the Board adopts the attached Stipulation and makes the following:

FINDINGS OF FACT

1. Respondent Wai-Chu Tony Lam (“Lam”), whose last known address of record with the Department of Regulation and Licensing (“Department”) is P.O. Box 170967, Milwaukee, WI 53209, and whose date of birth is December 15, 1951, is licensed as a certified public accountant (#1-10660). The license was first granted on June 10, 1987, and will expire on December 14, 2009.

2. On October 9, 2006, S.E. arrived at the offices of Mr. Lam. S.E. demanded records belonging to a corporation owned by him. S.E. videotaped his confrontation with Mr. Lam. S.E. had previously demanded the same documents on more than one occasion. On October 7, 2006, S.E. sent Mr. Lam an electronic mail message, and demanded that the documents be made available to him at noon on October 9, 2006.

3. During the confrontation on October 9, 2006, S.E. stated, "I want my records." Mr. Lam replied, "I want my money." During the confrontation S.E. stated to Mr. Lam that his actions were illegal. Mr. Lam replied, "I don't care." Mr. Lam asserts that his intemperate reaction was caused in part by the unexpected videotaping of the confrontation.

4. In response to a Department of Regulation and Licensing inquiry into this matter, Mr. Lam stated that the only document not previously provided to S.E. were certain depreciation schedules, which were mailed on October 13, 2006, four days after the confrontation. S.E. paid his portion of Mr. Lam's billings prior to October 7, 2006, and responsibility for the remainder was assumed by one of his business partners.

5. The depreciation schedules were needed by S.E.'s succeeding tax preparer (also a Certified Public Accountant) in order to prepare tax returns which were overdue. The delay in receiving the documents caused the succeeding preparer to construct estimated depreciation schedules.

6. Per Wis. Admin. Code § Accy 1.401, "(1) No person licensed to practice as a certified public accountant... shall commit an act discreditable to the profession (2) Interpretations of this section, not intended to be all-inclusive, are as follows: (a) *Client records*... Retention of client records after a demand is made for them is an act discreditable to the profession in violation of this section."

CONCLUSIONS OF LAW

1. The Wisconsin Accounting Examining Board has jurisdiction to act in these matters pursuant to Wis. Stat. § 442.01.

2. The Wisconsin Accounting Examining Board has authority to enter into this stipulated resolution of this matter pursuant to Wis. Stat. § 227.44 (5).

3. By conditioning release of the depreciation schedules on payment of his bills for services in full, Mr. Lam committed an act discreditable to the profession of certified public accountants within the meaning of Wis. Admin. Code § Accy 1.401(2)(a), thereby subjecting himself to discipline per Wis. Stat. § 442.12(1)(b).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The license and certificate of **Wai-Chu Tony Lam** (#1-10660) shall be, and hereby are, placed on **PROBATION** for a period of THREE (3) YEARS. During the period of probation any further withholding of documents from clients due to non-payment of bills for services submitted by Respondent are strictly prohibited. Violations of this paragraph shall be construed as conduct imperiling the public welfare, and requiring emergency suspension of the license and certificate of **Wai-Chu Tony Lam** (#1-10660). Upon receipt of proof giving probable cause to believe that a violation of this paragraph has occurred, the license and certificate of **Wai-Chu Tony Lam** (#1-10660) may be **SUMMARILY SUSPENDED**, in the sole discretion of the Board's monitoring liaison. Further disciplinary action may then be taken, and the discipline sought, up to and including **REVOCATION** of the license and certification (#1-10660).

IT IS FURTHER ORDERED THAT:

2. **Wai-Chu Tony Lam** shall pay costs of these investigations in the amount of FOUR HUNDRED AND FIFTY DOLLARS (\$450.00) within sixty (60) days of the date of signing of this Order.

3. Payment of costs and other payments required by this Order shall be mailed, delivered or otherwise transmitted to:

Department Monitor
Division of Enforcement
Department of Regulation and Licensing
P.O. Box 8935, Madison, WI 53708-8935
Telephone (608) 261-7904, Fax (608) 266-2264

4. Case number 06 ACC 021 is hereby closed.

5. Violation of any of the terms of this Order may be construed as conduct imperiling public health, safety and welfare and may result in a summary suspension of Respondent's license and certification. The Accounting Examining Board in its discretion may in the alternative impose additional conditions and limitations or other additional discipline for a violation of any of the terms of this Order. In the event that Respondent fails to timely submit any payments set forth above, Respondent's license and certification (#1-10660) **SHALL BE SUSPENDED**, without further notice or hearing, until Respondent has complied with the terms of this Order.

6. This Order is effective on the date of its signing.

ACCOUNTING EXAMINING BOARD

By: Karla Blair
A Member of the Board

9/25/08
Date

**STATE OF WISCONSIN
BEFORE THE ACCOUNTING EXAMINING BOARD**

IN RE DISCIPLINARY PROCEEDINGS	:	
AGAINST	:	
	:	STIPULATION
WAI-CHU TONY LAM,	:	
	:	LS _____
	:	
RESPONDENT.	:	

Division of Enforcement Case No. 06 ACC 021

It is hereby stipulated and agreed, by and between Wai-Chu Tony Lam, Respondent; and Mark A. Herman, attorney for Complainant, State of Wisconsin, Department of Regulation and Licensing, Division of Enforcement, as follows:

1. This Stipulation resolves a pending investigation against Respondent’s licensure by the Division of Enforcement (06 ACC 021). Respondent consents to the resolution of this investigation by stipulation and without the issuance of a formal complaint.

2. Respondent understands that by signing this Stipulation he voluntarily and knowingly waives his rights, including: the right to a hearing on the allegations against him, at which time the state has the burden of proving those allegations preponderance of the evidence; the right to confront and cross-examine the witnesses against him; the right to call witnesses on his behalf and to compel their attendance by subpoena; the right to testify himself; the right to file objections to any proposed decision and to present briefs or oral arguments to the officials who are to render the final decision; the right to petition for rehearing; and all other applicable rights afforded to him under the United States Constitution, the Wisconsin Constitution, the Wisconsin Statutes, the Wisconsin Administrative Code, and any other provisions of state or federal law.

3. Respondent has been provided with the opportunity to obtain legal counsel prior to signing this Stipulation.

4. Respondent agrees to the adoption of the attached Final Decision and Order by the Accounting Examining Board (Board). The parties to the Stipulation consent to the entry of the attached Final Decision and Order without further notice, pleading, appearance or consent of the parties. Respondents waive all rights to any appeal of the Board’s order, if adopted in the form as attached.

5. If the terms of this Stipulation are not acceptable to the Board, the parties shall not be bound by the contents of this Stipulation, and the matter shall then be returned to the Division of Enforcement for further proceedings. In the event that this Stipulation is not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

6. The parties to this Stipulation agree that the attorney or other agent for the Division of Enforcement and any member of the Accounting Examining Board ever assigned as an advisor in this investigation may appear before the Board, without the presence of Respondent or his attorney, for purposes of speaking in support of this agreement and answering questions that any person may have in connection with the Board's deliberations on the Stipulation. Additionally, any such Board advisor may vote on whether the Board should accept this Stipulation and issue the attached Final Decision and Order.

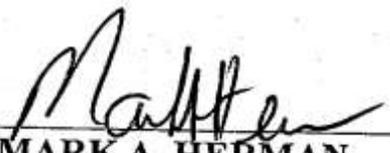
7. Respondent is informed that should the Board adopt this Stipulation, the Board's final decision and order is a public record and will be published in accordance with standard Department procedure.

8. The Division of Enforcement joins Respondent in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.



Wai-Chu Tony Lam
P.O. Box 170967
Milwaukee, WI 53209

7/18/08
Date



MARK A. HERMAN
Attorney, Division of Enforcement
1400 East Washington Avenue
Madison, WI 53708-8935

7/22/08
Date