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Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions

In the Matter of Daniel Carpio Diaz,

Respondent.

PCAOB Release No. 105-2025-035

October 7, 2025

By this Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions (“Order”), the Public Company Accounting Oversight Board (“Board” or “PCAOB”) is:

- (1) censuring Daniel Carpio Diaz (“Carpio” or “Respondent”);
- (2) barring Carpio from being an associated person of a registered public accounting firm;¹
- (3) imposing a civil money penalty in the amount of \$50,000 on Carpio; and
- (4) requiring Carpio to complete 40 hours of continuing professional education (CPE), in addition to any CPE required in connection with any professional license he holds, before filing any petition for Board consent to associate with a registered public accounting firm.

The Board is imposing these sanctions on the basis of its findings that Carpio violated PCAOB rules and standards in connection with performing the audit of the financial statements of an issuer client.

¹ Carpio may file a petition for Board consent to associate with a registered public accounting firm after three years from the date of this Order.

I.

The Board deems it necessary and appropriate, for the protection of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports, that disciplinary proceedings be, and hereby are, instituted pursuant to Section 105(c) of the Sarbanes-Oxley Act of 2002, as amended (“Act”), and PCAOB Rule 5200(a)(1) against Respondent.

II.

In anticipation of the institution of these proceedings, and pursuant to PCAOB Rule 5205, Respondent has submitted an Offer of Settlement (the “Offer”) that the Board has determined to accept. Solely for the purpose of these proceedings and any other proceeding brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings contained herein, except as to the Board’s jurisdiction over Respondent and the subject matter of this proceeding, which is admitted, Respondent consents to the entry of this Order as set forth below.²

III.

On the basis of Respondent’s Offer, the Board finds that:³

A. Respondent

1. **Daniel Carpio Diaz** was, at all relevant times, a partner of Paredes, Burga & Asociados Sociedad Civil de Responsabilidad Limitada (now known as Tanaka, Valdivia, Arribas & Asociados Sociedad Civil de Responsabilidad Limitada) (“EY Peru”) in its Lima, Peru, office and was the engagement partner for the relevant audit, discussed below. Carpio was, at all relevant times, an “associated person of a registered public accounting firm,” as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).⁴

² The findings herein are made pursuant to Respondent’s Offer and are not binding on any other person or entity in this or any other proceeding.

³ The Board finds that Respondent’s conduct described in this Order meets the conditions set out in Section 105(c)(5) of the Act, 15 U.S.C. § 7215(c)(5), which provides that certain sanctions may be imposed in the event of: (1) intentional or knowing conduct, including reckless conduct, that results in a violation of the applicable statutory, regulatory, or professional standard; or (2) repeated instances of negligent conduct, each resulting in a violation of the applicable statutory, regulatory, or professional standard.

⁴ EY Peru removed Carpio from all audit work required to be performed in accordance with PCAOB rules and standards in March 2021. Carpio has since been transferred to a non-PCAOB registered EY Peru affiliate.

B. Issuer

2. **Gilat Satellite Networks Ltd.** (“Gilat”) is a company organized under the laws of Israel. Gilat is headquartered in Petah Tikva, Israel, and, according to its public filings, is a global provider of satellite-based broadband communications. At all relevant times, Gilat was an “issuer,” as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii). Gilat Networks Peru S.A. (“GNP”) is a Latin American subsidiary of Gilat. Gilat engaged Kost Forer Gabbay & Kasierer (“EY Israel”) to audit its consolidated financial statements as of, and for the year ended, December 31, 2020, and its internal control over financial reporting (“ICFR”) as of December 31, 2020.

C. Other Relevant Entities

3. **Paredes, Burga & Asociados Sociedad Civil de Responsabilidad Limitada (now known as Tanaka, Valdivia, Arribas & Asociados Sociedad Civil de Responsabilidad Limitada)** is a public accounting firm headquartered in Lima, Peru. EY Peru is, and at all relevant times was, registered with the Board pursuant to Section 102 of the Act and PCAOB rules, and is licensed by the Colegio de Contadores Públicos de Lima. EY Peru is a member firm of Ernst & Young Global Limited (“EY Global”). EY Israel engaged EY Peru to conduct a full scope component audit on GNP (the “GNP Audit Work”), and EY Peru issued an interoffice conclusion report to EY Israel dated March 5, 2021.

4. **Kost Forer Gabbay & Kasierer** is a public accounting firm headquartered in Tel Aviv, Israel. EY Israel registered with the PCAOB on July 19, 2004, pursuant to Section 102 of the Act and PCAOB rules. EY Israel is a member firm of EY Global. On March 8, 2021, EY Israel issued auditor’s reports expressing unqualified opinions on Gilat’s 2020 financial statements and ICFR.

D. Summary

5. This case involves multiple violations of PCAOB rules and standards⁵ by Carpio, the partner responsible for EY Peru’s full scope component audit of GNP for the year ended December 31, 2020.

6. Specifically, during the GNP Audit Work, Carpio: (1) violated PCAOB audit documentation requirements; (2) violated PCAOB rules and standards in evaluating GNP’s revenue recognition, an identified fraud risk; and (3) failed to appropriately supervise the GNP engagement team.

⁵ All references to PCAOB rules and standards in this Order are to the versions of those rules and standards, and to the organization and numbering, in effect at the time of the conduct discussed herein.

E. Carpio Violated PCAOB Rules and Standards

7. PCAOB rules require that associated persons of registered public accounting firms comply with the Board’s auditing and related professional practice standards.⁶ PCAOB standards require an auditor to exercise due professional care in the planning and performance of the audit and the preparation of the report, exercise professional skepticism, and plan and perform audit procedures to obtain sufficient appropriate audit evidence to provide a reasonable basis for the auditor’s opinion.⁷

i. Background

8. According to its public filings, Gilat designs and manufactures ground-based satellite communications equipment for customers in Latin America. Gilat’s Latin American operations accounted for approximately 35% of its total revenue in 2020. Approximately 20% of Gilat’s total revenue in 2020 was attributable to contracts with a Peruvian governmental authority.

9. EY Israel engaged EY Peru to perform the GNP Audit Work and provided EY Peru with detailed instructions for performing integrated audit procedures (e.g., testing GNP’s ICFR as well as financial information) in accordance with EY’s Global Audit Methodology (“EY GAM”) and PCAOB auditing standards.

10. In the audit instructions, EY Israel notified EY Peru that it had identified a significant risk, including a risk of material misstatement due to fraud, or “fraud risk,” related to revenue recognition at GNP. The audit instructions directed EY Peru to perform certain specific procedures, including substantive audit procedures, to address the identified fraud risk related to revenue recognition. The instructions also directed EY Peru to obtain representations from various members of local GNP management regarding their awareness of anything that could affect current-year revenue.

11. In late January 2021, the EY Peru engagement team sent to EY Israel drafts of certain of its GNP Audit Work deliverables, including a draft unsigned Summary Review Memorandum (“SRM”).⁸ In early to mid-February, EY Israel informed the EY Peru engagement team that it needed to review the EY Peru engagement team’s final deliverables by February

⁶ See PCAOB Rule 3100, *Compliance with Auditing and Related Professional Practice Standards*; PCAOB Rule 3200, *Auditing Standards*.

⁷ See AS 1015.01, .07, *Due Professional Care in the Performance of Work*; AS 1105.04, *Audit Evidence*; AS 2301.07, *The Auditor’s Responses to the Risks of Material Misstatement*.

⁸ An SRM is consistent with an engagement completion document pursuant to AS 1215.13, *Audit Documentation*.

22, 2021, in order to meet Gilat’s anticipated Form 20-F filing timeline, which had been moved up to the beginning of March.

12. On March 5, 2021, the EY Peru engagement team sent to EY Israel its final deliverables, which included a final SRM and final interoffice conclusion report, both dated March 5, 2021, and signed by Carpio as the partner responsible for the GNP Audit Work.

13. EY Israel issued its 2020 audit reports, without making reference to the audit work performed by EY Peru, on both Gilat’s financial statements and effectiveness of ICFR on March 8, 2021.

ii. Carpio Violated PCAOB Audit Documentation Standards

14. PCAOB audit documentation standards require that an auditor document “the procedures performed, evidence obtained, and conclusions reached with respect to relevant financial statement assertions.”⁹ “Audit documentation must clearly demonstrate that the work was in fact performed.”¹⁰ Further, audit documentation “must contain sufficient information to enable an experienced auditor, having no previous connection with the engagement,” to “understand the nature, timing, extent, and results of the procedures performed, evidence obtained, and conclusions reached,” and “determine who performed the work and the date such work was completed as well as the person who reviewed the work and the date of such review.”¹¹

15. At the time of the GNP Audit Work, EY Peru’s policies required personnel to document audit work in an electronic audit documentation system. Once an audit engagement team member at EY Peru prepared and/or reviewed a work paper, that preparer/reviewer would “sign-off” on the work paper in the audit documentation system. The system would then automatically record the date and time of the sign-off. That functionality existed, among other reasons, to prevent engagement team members from improperly backdating their sign-offs on work papers. At the time of the GNP Audit Work, the audit documentation system also permitted simultaneous sign off on multiple documents (i.e., a “batch”) as a preparer or a reviewer without accessing each work paper separately to apply individual sign-offs. When that occurred, the system would assign the same sign-off date and time to all work papers that were part of the batch.

⁹ AS 1215.06.

¹⁰ *Id.*

¹¹ *Id.*

16. At the time EY Israel issued its audit reports, multiple work papers in the audit file for the GNP Audit Work were incomplete.¹² More specifically, certain work papers still contained audit documentation from the prior year audit or consisted of blank forms and templates (“incomplete documents”). Accordingly, the EY Peru engagement team’s audit documentation did not clearly demonstrate that Carpio and his engagement team performed their audit work prior to EY Israel issuing its audit reports.¹³ Carpio, as the partner responsible for the GNP Audit Work, needed to ensure that the audit documentation complied with PCAOB audit documentation standards.¹⁴ By failing to do so, he violated AS 1215.

17. Moreover, Carpio signed off in the GNP audit file as having reviewed certain work papers, but multiple work papers at the time of his sign-offs were incomplete. For example, Carpio signed off as having reviewed a work paper titled “A-29 Internal Memorandum Archive – Gilat Peru 2020.” However, at the time of his sign-off, that document contained only data from the 2019 GNP audit. Carpio also signed off as having reviewed a work paper purportedly documenting quality review procedures performed on the GNP Audit Work. However, at the time of Carpio’s sign-off on March 1, 2021, only the section of the work paper related to the scope and strategy of the audit had been completed. Meanwhile, the sections related to the audit procedures performed were blank. Because he signed off on incomplete documents, it is impossible to tell from the audit documentation whether Carpio reviewed certain work papers prior to EY Israel issuing its audit reports, and, if he did, when his review occurred. For this reason too, Carpio violated AS 1215.

18. During the GNP Audit Work, Carpio received emails from members of his engagement team identifying lists of work papers on which he needed to sign off. Carpio then

¹² After EY Israel issued its audit reports on Gilat’s 2020 financial statements and ICFR but prior to the deadline for assembling for retention a complete and final set of audit documentation, *see* AS 1215.15, Ernst & Young Americas LLC (“EY Americas”) performed a post-issuance Audit Quality Review (“AQR”) on the GNP Audit Work. A “snapshot” was taken of the GNP Audit documentation retained in the electronic audit documentation system as of March 11, 2021, and the AQR was performed on that snapshot. As a result of the AQR, EY Americas determined that the EY Peru engagement team did not have sufficient audit evidence to support the conclusions that the EY Peru engagement team reported to EY Israel, and therefore, EY Peru needed to perform remediation work. Shortly after EY Americas concluded the AQR, EY Americas self-reported its findings to the PCAOB’s Division of Registration and Inspections staff.

¹³ At the completion of the procedures to remediate the AQR findings, the EY Peru engagement team prepared a summary work paper that identified 388 work papers that were created or modified after Carpio sent EY Peru’s final interoffice conclusion report to EY Israel.

¹⁴ *See* AS 1201.03, *Supervision of the Audit Engagement* (“The engagement partner is responsible for the engagement and its performance. . . . [T]he engagement partner is responsible for . . . compliance with PCAOB standards”) (footnotes omitted).

signed off simultaneously on the batch of listed work papers without first accessing and reviewing them. In doing so, he did not know if he had actually reviewed the work papers at some point during the GNP Audit Work. And to the extent he had reviewed particular work papers on the lists, due to his sign-off practices, there was no way to know from the audit documentation when his review occurred. Accordingly, Carpio violated AS 1215 for this reason as well.

iii. Carpio Failed to Perform Procedures Related to Revenue

19. PCAOB standards state that the “auditor should design and implement overall responses to address the risks of material misstatement,”¹⁵ and specify that the “auditor should design and perform audit procedures in a manner that addresses the assessed risks of material misstatement for each relevant assertion of each significant account and disclosure.”¹⁶ In addition, the “auditor should perform substantive procedures, including tests of details, that are specifically responsive to the assessed fraud risks.”¹⁷

20. In an audit of ICFR that is integrated with an audit of financial statements, the “auditor should test those controls that are important to the auditor’s conclusion about whether the company’s controls sufficiently address the assessed risk of misstatement to each relevant assertion.”¹⁸ Further, PCAOB standards state that when selecting controls to test the “auditor should evaluate whether the company’s controls sufficiently address identified risks of material misstatement due to fraud. . . .”¹⁹

21. Additionally, the “auditor should perform a retrospective review of accounting estimates in significant accounts and disclosures by comparing the prior year’s estimates to actual results, if any, to determine whether management’s judgments and assumptions relating to the estimates indicate a possible bias on the part of management.”²⁰

22. In 2020, Gilat disclosed that a significant portion of its revenue was attributable to contracts between GNP and the Peruvian government to provide fiber and wireless network infrastructure construction for the Programa Nacional de Telecomunicaciones (“PRONATEL”) in

¹⁵ AS 2301.05.

¹⁶ *Id.* at 08.

¹⁷ *Id.* at 13.

¹⁸ AS 2201.39, *An Audit of Internal Control Over Financial Reporting That Is Integrated with An Audit of Financial Statements*.

¹⁹ *Id.* at 14.

²⁰ AS 2401.64, *Consideration of Fraud in a Financial Statement Audit* (footnote omitted).

Peru.²¹ Specifically, in 2015 and 2018, the Peruvian government awarded GNP large-scale contracts to build and operate and, in certain cases, transfer fiber and wireless networks of PRONATEL in six regions in Peru (the “Regional Projects”). The Regional Projects had expected contract durations ranging from approximately 13 to 15 years. Generally, the Regional Projects contracts called for GNP to construct fiber-optic transport networks and access networks based on wireless technologies (“Construction Performance Obligations” or “CPOs”). Under the Regional Projects contracts, GNP would, among other things, operate the constructed networks for defined periods of time, and certain networks would be transferred to the Peruvian government upon completion of the operation phase.

23. Gilat disclosed that it prepared its consolidated financial statements in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”); therefore, GNP was required to recognize revenue from the Regional Contracts in accordance with FASB Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers*.

24. GNP recognized revenue for the Regional Projects’ CPOs using ASC 606’s “percentage-of-completion cost-to-cost” method of revenue recognition (“POC method of accounting”). Pursuant to that method, for the purpose of determining the percentage of completion for each CPO, the measure of progress was based on the ratio of costs incurred to the total estimated costs, which included costs incurred plus estimated costs remaining to complete the construction of the network. GNP recognized revenue each period by applying the percentage of completion to the total estimated revenue allocated to each CPO.²² In 2020, GNP was still in the process of constructing transport networks and access networks under two of six Regional Projects.

25. U.S. GAAP required GNP to update its measure of progress to reflect any changes in circumstances over time.²³ Because estimated profit is calculated as the difference between total estimated revenues allocated to the CPOs and total estimated costs to complete the construction of the networks, changes to the total estimated costs had the potential to cause material fluctuations in the timing of GNP’s, and ultimately Gilat’s, reported gross profit.

26. Given the nature of the estimates underlying revenue recognized using the POC method of accounting, EY Israel identified a fraud risk of “improper revenue recognition due to improper timing of revenue.” EY Israel further described the associated fraud risk as being related to the “timing of revenue recognition as a result of inappropriate estimation of the

²¹ In its 2020 Form 20-F, Gilat disclosed that PRONATEL, a Peruvian governmental authority, provides public rural telecom services (voice, data, and internet) in Peru.

²² See ASC 606-10-25-31; see also ASC 606-10-25-33; ASC 606-10-55-20.

²³ See ASC 606-10-25-35.

costs for completion due to manipulation aimed to either accelerate revenue or defer recognition of losses specifically with respect to [PRONATEL Regional Projects] in Peru.”

27. EY Israel instructed EY Peru to design its audit procedures to be responsive to the identified fraud risk and comply with EY GAM and PCAOB standards. More specifically, EY Israel instructed EY Peru to perform, among other procedures: (1) steps to evaluate and test the estimates, assumptions, and judgments made by management in the estimate of percentage of completion, including evaluating any contrary evidence; and (2) a look back analysis to compare actual results to estimated budget and document management’s capability to develop accurate estimates.

28. In connection with the GNP Audit Work, Carpio violated PCAOB standards in his response to the risks of material misstatement of GNP’s revenue recognized under the POC method of accounting, and he did so in multiple ways.

29. *First*, Carpio failed to plan and perform audit procedures to obtain sufficient appropriate audit evidence to provide a reasonable basis for the opinion in his interoffice conclusion report.²⁴ More specifically, Carpio failed to perform, or ensure the performance of sufficient substantive procedures to address the identified fraud risk related to the timing of revenue recognition.²⁵ Although Carpio and his team performed tests of details on the *actual* costs incurred during the fiscal year under audit, they did not perform substantive procedures on the *estimated* costs remaining to complete the construction of the networks for the Regional Projects.²⁶ Therefore, the relevant estimated profit margins as of December 31, 2020, on the CPOs of the Regional Projects still under construction were not subjected to sufficient substantive procedures “specifically responsive to the assessed fraud risk.”

30. *Second*, as part of Carpio’s evaluation of whether GNP’s controls sufficiently addressed the assessed risks of misstatement due to fraud, Carpio failed to perform, or ensure the performance of, sufficient tests of GNP’s controls that addressed the assessed significant risks, including the fraud risk, related to costs estimated by management used to recognize POC revenue.²⁷ Specifically, Carpio failed to perform, or ensure the performance of, sufficient tests

²⁴ See 1105.04.

²⁵ See AS 2301.11, .13; see also AS 2301.03.

²⁶ The engagement team rolled forward a prior-year work paper and named that document *U-1 Ingresos de proyectos GNP al 31.12.2020*. The U-1 work paper was expected to be the primary work paper documenting most of the substantive test work on the POC revenue recognition. However, as the AQR team noted, the work paper in Canvas contained mostly prior-year data and testing.

²⁷ See AS 2201.14, .39.

of the design effectiveness of GNP’s internal controls over POC revenue recognition.²⁸ As a result, Carpio and his engagement team failed to sufficiently test controls that addressed the risk that management might be inappropriately estimating costs to manipulate revenue recognition.

31. *Third*, Carpio failed to perform, or ensure the performance of, a retrospective review, or a “look back analysis,” sufficient to determine whether GNP management’s accounting estimates relating to POC revenue recognition, including the underlying judgments and assumptions, indicated a possible bias on the part of management.²⁹ Although the engagement team compared management’s total estimated costs from one period to the next to identify and understand any instances where management had made a change to the estimate, Carpio and his engagement team did not compare the prior year’s estimate to actual results. Thus, Carpio and his engagement team failed to perform procedures to evaluate whether a change to the estimate should have been reflected, but was not.

32. Accordingly, Carpio failed to sufficiently test GNP’s POC revenue in violation of PCAOB standards, including AS 1105, AS 2201, AS 2301, and AS 2401.

iv. Carpio Failed to Adequately Supervise His Engagement Team

33. The engagement partner is “responsible for proper supervision of the work of engagement team members and for compliance with PCAOB standards.”³⁰ Under PCAOB standards, “the engagement partner may seek assistance from appropriate engagement team members in fulfilling his or her responsibilities.”³¹ “Engagement team members who assist the engagement partner with supervision of the work of other engagement team members also should comply with the requirements in [AS 1201] with respect to the supervisory responsibilities assigned to them.”³² Those performing supervisory activities should, among other things, “[r]eview the work of engagement team members to evaluate whether: (1) [t]he work was performed and documented; (2) [t]he objectives of the procedures were achieved; and (3) [t]he results of the work support the conclusions reached.”³³

34. As the partner assigned responsibility for the GNP Audit Work, Carpio needed to properly review and evaluate the work of his engagement team. Carpio, however, failed to

²⁸ See *id.* at .42.

²⁹ See AS 2401.63-.64.

³⁰ AS 1201.03.

³¹ *Id.* at .04.

³² *Id.*

³³ *Id.* at .05 (footnote omitted).

sufficiently supervise the work of his engagement team on the GNP Audit Work, in violation of PCAOB standards.³⁴

35. Carpio failed to sufficiently supervise his engagement team's planned or performed testing procedures related to POC revenue recognition, including the team's procedures related to evaluating cost estimates for the PRONATEL Regional Projects. The audit documentation does not reflect that Carpio reviewed work papers documenting the results of any substantive procedures to test revenue recognized under the POC method of accounting.³⁵ Nor is there any other evidence that Carpio reviewed the primary work paper that was meant to document tests of POC revenue recognition.³⁶

36. Moreover, the EY Peru engagement team prepared and sent to EY Israel a final SRM that included inaccurate statements. For example, the SRM stated that the EY Peru engagement team had performed a look back analysis and received a local management representation letter, when it had not. Despite inaccurate information in the final SRM, Carpio signed the final SRM, along with the final interoffice conclusion report and other deliverables, and authorized his team to send the final deliverables to EY Israel.

37. Accordingly, Carpio violated AS 1201 and AS 2301 because he failed to sufficiently: (1) supervise and review his team's work to ensure that the work the team planned to perform was actually performed; (2) supervise and review his team's work to ensure that the results of the work supported the conclusions reached; and (3) supervise and review his team's work to ensure that it was appropriately documented.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, the Board determines it is appropriate to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), Carpio is hereby censured.
- B. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Carpio is

³⁴ See *id.* at .03-.05; see also AS 2301.05b.

³⁵ The AQR findings reflected the work papers were not subject to an appropriate level of supervision and review, including an appropriate level of review by Carpio.

³⁶ See note 26, *supra*.

barred from being an “associated person of a registered public accounting firm,” as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).³⁷

- C. Pursuant to PCAOB Rule 5302(b), Carpio may file a petition for Board consent to associate with a registered public accounting firm after three years from the date of this Order.
- D. Pursuant to Section 105(c)(4)(F) of the Act and PCAOB 5300(a)(6), Carpio is required to complete, before petitioning to reassociate with the Board, 40 hours of CPE in subjects that are directly related to the audits of issuer financial statements under PCAOB standards (such hours shall be in addition to, and shall not be counted in, any CPE Carpio is required to obtain in connection with any professional license).
- E. Pursuant to Section 105(c)(4)(D) of the Act and PCAOB Rule 5300(a)(4), a civil money penalty in the amount of \$50,000 is imposed on Carpio.
 - 1. All funds collected by the PCAOB as a result of the assessment of this civil money penalty will be used in accordance with Section 109(c)(2) of the Act.
 - 2. Respondent shall pay the civil money penalty within ten days of the issuance of this Order by (a) wire transfer in accordance with instructions furnished by PCAOB staff; or (b) United States Postal Service money order, bank money order, certified check, bank cashier’s check, or attorney escrow account check (i) made payable to the Public Company Accounting Oversight Board, (ii) delivered to the Office of Finance, Public Company Accounting Oversight Board, 1666 K Street, N.W., Washington D.C. 20006, and (iii) submitted under a cover letter, which identifies Carpio as the respondent in these proceedings, sets forth the title and PCAOB release number of these proceedings, and states that payment is made pursuant to this Order, a copy of which cover letter and money order or check shall be sent to Office of the Secretary, Attention: Phoebe

³⁷ As a consequence of the bar, the provisions of Section 105(c)(7)(B) of the Act will apply with respect to Carpio. Section 105(c)(7)(B) provides: “It shall be unlawful for any person that is suspended or barred from being associated with a registered public accounting firm under this subsection willfully to become or remain associated with any issuer, broker, or dealer in an accountancy or a financial management capacity, and for any issuer, broker, or dealer that knew, or in the exercise of reasonable care should have known, of such suspension or bar, to permit such an association, without the consent of the Board or the Commission.”

W. Brown, Secretary, Public Company Accounting Oversight Board, 1666
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3. If timely payment is not made, interest shall accrue at the federal debt collection rate set for the current quarter pursuant to 31 U.S.C. § 3717. Payments shall be applied first to post-Order interest.
4. By consenting to this Order, Carpio acknowledges that a failure to pay the civil money penalty described above may alone be grounds to deny any petition to terminate a bar pursuant to PCAOB Rule 5302(b).

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

October 7, 2025