

Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions

In the Matter of Jennifer A. Crofoot, CPA,

Respondent.

PCAOB Release No. 105-2025-038

December 18, 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 Jennifer A. Crofoot, CPA, (“Crofoot” or “Respondent”);
- (2) barring Crofoot from being an associated person of a registered public accounting firm;¹ and
- (3) requiring Crofoot to complete 40 hours of continuing professional education (“CPE”) relating to PCAOB auditing standards, in addition to any CPE required in connection with any professional license, before filing any petition for Board consent to associate with a registered public accounting firm.²

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

² The Board determined to accept Crofoot’s offer of settlement, which does not require her to pay a civil money penalty, after considering her financial resources. Based on Crofoot’s conduct, the Board would have imposed a civil money penalty of \$50,000 on her in this settlement, if it had not taken her financial resources into consideration.

The Board is imposing these sanctions on the basis of its findings that Respondent violated PCAOB rules and standards in connection with performing audits of the financial statements of four issuer clients.³

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 against Respondent pursuant to Section 105(c) of the Sarbanes-Oxley Act of 2002, as amended (the “Act”), and PCAOB Rule 5200(a)(1).

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 herein, except as to the Board’s jurisdiction over Respondent and the subject matter of these proceedings, which is admitted, Respondent consents to the entry of this Order as set forth below.⁴

III.

On the basis of Respondent’s Offer, the Board finds that:⁵

A. Respondent

1. **Jennifer Ann Crofoot, CPA** is a certified public accountant under the laws of Washington State (license no. 30844). During the relevant time period, Crofoot was an audit partner at Fruci & Associates II, PLLC, and the engagement partner for each of the audits

³ All references to PCAOB rules and standards in this Order are to the versions of those rules and standards, and to their organization and numbering, in effect at the time of the audits discussed herein.

⁴ 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.

⁵ 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.

discussed below.⁶ At all relevant times, Crofoot was 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).

B. Issuers

2. **Clean Vision Corp.** (“Clean Vision”) was incorporated in Nevada and, at all relevant times, had its principal executive office in Manhattan Beach, California. Clean Vision’s public filings disclose that it was focused on recycling plastic waste to provide clean energy solutions. At all relevant times, Clean Vision was an “issuer” as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

3. **Hammer Fiber Optics Holdings Corp.** (“Hammer Fiber Optics”)⁷ was incorporated in Nevada and, at all relevant times, had its principal executive office in in Sarasota, Florida. Hammer Fiber Optics’ public filings disclose that it was engaged in the acquisition and exploration of mineral properties. At all relevant times, Hammer Fiber Optics was an “issuer” as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

4. **LeeWay Services, Inc.** (“LeeWay Services”) was incorporated in Nevada and, at all relevant times, had its principal executive office in in Salt Lake City, Utah. LeeWay Services’ public filings disclose that it provided comprehensive transportation management solutions for shippers and carriers. At all relevant times, LeeWay Services was an “issuer” as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).⁸

5. **Zeuus, Inc.** (“Zeuus”) was incorporated in Nevada and, at all relevant times, had its principal executive office in New York, New York. Zeuus’ public filings disclose that it operated three divisions focusing on data centers, energy, and cyber security. At all relevant times, Zeuus was an “issuer” as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

C. Relevant Entity

6. **Fruci & Associates II, PLLC** (“Fruci” or the “Firm”) is a public accounting firm headquartered in Spokane, Washington. At all relevant times, the Firm was licensed to practice

⁶ Crofoot’s employment with Fruci & Associates II, PLLC was terminated when her misconduct, discussed below, was discovered.

⁷ The company announced that it changed its name to “Hammer Technology Holdings” on September 3, 2025.

⁸ LeeWay Services filed a Registration Withdrawal Request with the U.S. Securities and Exchange Commission (“SEC”) on July 22, 2024.

public accounting in Washington State (license no. 5600) and multiple other jurisdictions, and it was registered with the Board pursuant to Section 102 of the Act and PCAOB rules.

D. Summary

7. This matter concerns Crofoot’s violations of PCAOB rules and standards in connection with her role as engagement partner on the Firm’s audits of Clean Vision for the fiscal year ended December 31, 2023 (“the Clean Vision Audit”), Hammer Fiber Optics for the fiscal year ended July 31, 2023 (“the Hammer Fiber Optics Audit”), LeeWay Services, Inc. for the fiscal year ended December 31, 2022 (“the Leeway Audit”) and Zeuus, Inc. for the fiscal year ended September 30, 2023 (“the Zeuus Audit”), (collectively, the “Issuer Audits”).

8. Specifically, Crofoot authorized the issuance of an audit report containing an unqualified opinion in each of the Issuer Audits without having performed adequate or, in some instances, any procedures on material accounts, and without having received concurring approval of issuance from an engagement quality reviewer, as required by PCAOB standards.

9. Accordingly, as detailed below, in performing the Issuer Audits, Crofoot failed to exercise due professional care and professional skepticism, failed to obtain sufficient appropriate audit evidence to support the Firm’s audit opinions, and violated PCAOB audit documentation standards.

E. Respondent Violated PCAOB Rules and Auditing Standards

10. In connection with the preparation or issuance of an audit report, PCAOB rules require that a registered public accounting firm and its associated persons comply with the Board’s auditing and related professional practice standards.⁹ An auditor may express an unqualified opinion on an issuer’s financial statements only when the auditor has conducted an audit in accordance with PCAOB standards and “concludes that the financial statements, taken as a whole, are presented fairly, in all material respects, in conformity with the applicable financial reporting framework.”¹⁰ 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.¹¹

⁹ See PCAOB Rule 3100, *Compliance with Auditing and Related Professional Practice Standards*; PCAOB Rule 3200, *Auditing Standards*.

¹⁰ See AS 3101.02, *The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion* (footnotes omitted).

¹¹ See AS 1015.01, .07, *Due Professional Care in the Performance of Work*; AS 1105.04, *Audit Evidence*.

11. As described below, Respondent failed to comply with these PCAOB standards in connection with the Issuer Audits.

i. Respondent Failed to Obtain Sufficient Appropriate Audit Evidence and Failed to Exercise Due Professional Care

12. In connection with each of the Issuer Audits, Crofoot authorized the issuance of the respective audit reports before all auditing procedures were substantially completed. More specifically, Crofoot performed limited procedures concerning accounts and transactions that were significant to each issuer's financial statements, and in one instance, performed no procedures at all.

13. In connection with the Clean Vision Audit, Crofoot failed to perform sufficient audit procedures to test the valuation of convertible notes upon conversion to equity. Specifically, Crofoot failed to properly evaluate the fair value of the derivative liability related to the notes at the date of conversion, which impacted the calculation of the gain or loss to be recorded at that date.¹²

14. Clean Vision restated its financial statements for the year ended December 31, 2023, to correct certain expenses and particularly to report a loss on the conversion of the notes of \$93,890, instead of the \$881,660 gain initially reported. The restatement resulted in an increase in Clean Vision's net loss from \$12.3 million to \$14.4 million, or 17% for the year ended December 31, 2023.

15. Consequently, Crofoot failed to exercise due professional care and failed to obtain sufficient appropriate audit evidence in connection with testing the debt conversion in the Clean Vision Audit, in violation of AS 1015 and AS 1105.¹³

16. In connection with the Hammer Fiber Optics Audit, in three instances, Crofoot failed to evaluate whether the accounting for Hammer Fiber Optics' accounts receivable and intangible assets was in conformity with U.S. generally accepted accounting principles ("GAAP"). First, Crofoot failed to recognize that certain aged accounts receivable were potentially uncollectible and should have been reserved for. Second, Crofoot failed to recognize that certain intangible assets had a finite useful life and should have been amortized. Finally, Crofoot failed to recognize that other intangible assets related to a business line that Hammer Fiber Optics was about to discontinue should have been assessed for potential impairment.

17. Hammer Fiber Optics restated its financial statements for the fiscal years ended July 31, 2023, and July 31, 2022, to record an allowance for credit losses and additional

¹² See ASC 815-15-25-1, *Derivatives and Hedging*, and ASC 470-50-40-2, *Debt*.

¹³ See AS 1015; AS 1105.

amortization expenses in both years and an impairment charge for the fiscal year ended July 31, 2022. As a result of these adjustments, Hammer Fiber Optics' total assets decreased from \$7.8 million to \$3.7 million (or 52% as of July 31, 2023) and from \$9.6 million to \$6.1 million (or 36% as of July 31, 2022). In addition, the company's net loss increased from \$1.9 million to \$2.6 million (or 34% for the year ended July 31, 2023) and from \$1.4 million to \$4.8 million (or 253% for the year ended July 31, 2022).

18. Accordingly, in connection with the Hammer Fiber Optics Audit, Crofoot failed to exercise due professional care and failed to obtain sufficient appropriate audit evidence as to Hammer Fiber Optics' accounts receivable and intangible assets in violation of AS 1015 and AS 1105.

19. In connection with the LeeWay Audit, for significant risk areas such as revenue, accounts receivable, and equity, the electronic audit file largely consisted of work paper templates with no issuer-specific audit evidence. Crofoot did not plan or perform any procedures to test those significant accounts or related disclosures in the financial statements. Consequently, Crofoot failed to exercise due professional care and failed to obtain sufficient appropriate audit evidence to provide a reasonable basis for the Firm's audit opinion on LeeWay's financial statements as of and for the fiscal year ended December 31, 2022.¹⁴

20. Similarly, in connection with the Zeus Audit, the electronic audit file did not include any work papers except for the issuer's trial balances. Crofoot did not plan and perform procedures to test the significant accounts and disclosures in Zeus' financial statements or evaluate whether the financial statements were fairly presented in all material respects in conformity with GAAP. Consequently, Crofoot also did not exercise due professional care and did not plan and perform audit procedures to obtain sufficient appropriate audit evidence to provide a reasonable basis for the Firm's audit opinion on Zeus' financial statements as of and for the fiscal year ended September 30, 2023.¹⁵

21. Another example of Crofoot's lack of due professional care concerned the lack of engagement quality reviews for the Issuer Audits. PCAOB standards require that an engagement quality review be performed on all audits and provide that a firm may grant permission to a client to use the audit report only after an engagement quality reviewer provides concurring approval of issuance of the report.¹⁶ Despite being aware of these requirements, and despite knowing that an engagement quality review had not been

¹⁴ See AS 1015.01; AS 1105.04.

¹⁵ See *id.*

¹⁶ See AS 1220.01, .13, *Engagement Quality Review*.

performed on any of the Issuer Audits, Crofoot informed each of the issuers that the Firm had granted permission to use the corresponding audit report she authorized.

22. Overall, in connection with each of the Issuer Audits described above, Crofoot (i) failed to exercise due professional care and professional skepticism in violation of AS 1015 and (ii) failed to obtain sufficient appropriate audit evidence to support the Firm's audit opinions in violation of AS 1105.

ii. Crofoot Violated PCAOB Audit Documentation Standards

23. PCAOB standards require that an auditor prepare and retain audit documentation in connection with each engagement. AS 1215 provides that "[a] complete and final set of audit documentation should be assembled for retention as of a date not more than 45 days after the report release date (*documentation completion date*)."¹⁷ Further, although "[c]ircumstances may require additions to audit documentation after the report release date," any documentation added "must indicate the date the information was added, the name of the person who prepared the additional documentation, and the reason for adding it."¹⁸

24. Additionally, PCAOB rules require that audit documentation "contain sufficient information to enable an experienced auditor, having no previous connection with the engagement," to understand, among other things, the timing of the procedures performed, evidence obtained, and conclusions reached, and to determine not just who performed and reviewed the work but also "the date such work was completed" and "the date of such review."¹⁹

25. In connection with the Issuer Audits, Crofoot failed to assemble a complete and final set of audit documentation by the respective documentation completion dates,²⁰ because it was her practice to sign off work papers with review notes to herself to complete the work at a later date when she had more time to do so. In certain instances, she backdated signoffs to indicate that the work papers were prepared, reviewed, and completed before the respective report release dates. In each of the Issuer Audits, Crofoot continued to make additions to the audit documentation in the respective audit files several months after the relevant documentation completion dates without documenting when and why the documentation was added.²¹

¹⁷ AS 1215.15, *Audit Documentation* (italics in original).

¹⁸ *Id.* at .16.

¹⁹ *Id.* at .06

²⁰ *See id.* at .15.

²¹ *See id.* at .16.

26. Moreover, on the LeeWay Audit, Crofoot made improper alterations to the work papers after being notified that the audit would be reviewed during the 2024 inspection (“2024 Inspection”). On July 15, 2024, the PCAOB inspection team communicated to the Firm a list of issuers selected for review, including LeeWay Services. Upon learning that the LeeWay Audit had been selected by the PCAOB inspection team, Crofoot created and added work papers to the LeeWay Audit file, documenting audit procedures that had not actually been performed during the LeeWay Audit, with the intent of providing this information to the PCAOB inspectors.

27. On July 31, 2024, the Firm’s managing partner orally represented to the PCAOB inspection team that while preparing for the 2024 Inspection, the Firm determined that the audit report for the LeeWay Audit had been issued despite audit work not having been performed. Subsequently, Crofoot admitted that she made improper additions to the audit documentation for the LeeWay Audit upon receiving notification that the LeeWay Audit had been selected for review by the PCAOB inspection team.

28. Accordingly, Crofoot violated AS 1215.

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 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), Jennifer Crofoot is hereby censured.
- B. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Jennifer Crofoot is 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).²²

²² As a consequence of the bar, the provisions of Section 105(c)(7)(B) of the Act will apply with respect to Crofoot. 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.”

- C. Pursuant to PCAOB Rule 5302(b), Jennifer Crofoot 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 Rule 5300(a)(6), Jennifer Crofoot is required to complete, prior to filing any petition to terminate her bar and for Board consent to reassociate with a registered public accounting firm, 40 hours of continuing professional education and training relating to PCAOB auditing standards (such hours shall be in addition to, and shall not be counted in, the continuing education she is required to obtain in connection with any professional license).

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

December 18, 2025