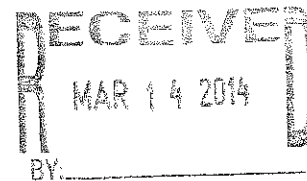


STATE OF MINNESOTA
BOARD OF ACCOUNTANCY



In the Matter of
Subramanian Krishnan
Certified Public Accountant
Certificate No. 07680

STIPULATION AND
CONSENT ORDER
Board File 2012-466

The Minnesota Board of Accountancy ("Board") is authorized pursuant to Minnesota Statutes Section 214.10 (2012); Minnesota Statutes Section 326A.02, subdivisions 4 and 6 (2012); and Minnesota Statutes Section 326A.08 (2012) to review complaints against certified public accountants and to take disciplinary action whenever appropriate.

The Board received information concerning Subramanian Krishnan, CPA, 3620 Wedgewood Lane, Plymouth, Minnesota 55441-1100 ("Respondent"). The Board's Complaint Committee ("Committee") reviewed that information.

On August 15, 2013, the Board's Complaint Committee, composed of Board members Robert P. Saunders, CPA, Michael M. Vekich, CPA, and Gregory S. Steiner, CPA, met to discuss allegations made in reference to this matter.

It is hereby stipulated and agreed by Respondent and the Committee that without trial or adjudication of any issue of fact or law and without any evidence or admission by any party with respect to any such issue:

1. For the purpose of this Stipulation, Respondent waives all procedures and proceedings before the Board to which Respondent may be entitled under the United States and Minnesota constitutions, statutes, or the rules of the Board, including the right to dispute the allegations against Respondent and to dispute the appropriateness of discipline in a contested case hearing pursuant to Minnesota Statutes Chapter 14 (2012). Respondent agrees that upon the *ex parte* application of

the Committee, without notice to or appearance by Respondent, the Board may order the remedy specified in paragraph 7 below. Respondent waives the right to any judicial review of the order by appeal, by writ of certiorari, petition for review, or otherwise.

2. This Stipulation shall constitute the entire record of the proceedings herein upon which the Consent Order is based. All documents in the Board's files shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2012). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein.

3. In the event the Board in its discretion does not approve this Stipulation or a lesser remedy than specified in this Consent Order, this Stipulation and Consent Order shall be null and void and shall not be used for any purpose by either party. If this Stipulation is not approved and a contested case hearing is initiated by the Committee pursuant to Minnesota Statutes Chapter 14 (2012), Respondent agrees not to object to the Board's initiation of the hearing and it hearing the case on the basis that the Board has become disqualified because of its review and consideration of this Stipulation or of any records relating hereto.

FACTS

4. This Stipulation is based upon the following facts. Respondent admits the facts referred to below and grants that the Board may, for the purpose of reviewing the record in paragraph 2 above, consider the following as true without prejudice to the Respondent in any current or future proceeding of the Board with regard to these or other allegations:

a. The Board initially issued a Certified Public Accountant license to Respondent on April 25, 1983. Respondent currently holds an active Certified

Public Accountant Certificate Number 07680, issued by the Board. Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.

b. On July 15, 2013, the United States District Court for the District of Minnesota entered final judgment, to which Respondent consented, in SEC v. Subramanian Krishnan (Civil No. 0:12-cv-02495-PAM-JJG) (the "Final Judgment"). The Final Judgment included an order (1) permanently restraining and enjoining Respondent from future violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1, 13b2-2 and 13a-14 thereunder, and from aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder; (2) prohibiting Respondent from acting as an officer or director of a public company for five (5) years; and (3) ordering Respondent to pay a civil penalty of \$60,000 to the United States Securities and Exchange Commission.

c. On July 30, 2013, the United States Securities and Exchange Commission ("SEC") issued a Corrected Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings and Imposing Remedial Sanctions against Respondent (the "SEC Order"). Respondent consented to issuance of the SEC Order. (SEC Order, section II). The SEC Order suspended Respondent "from appearing or practicing before the Commission as an accountant," effective immediately, and provided that "[a]fter five years (or 60 months) from the date of this order, Respondent may request that the Commission consider his reinstatement by submitting an application...to resume appearing or practicing before the Commission" and established conditions that Respondent must meet before the SEC will consider an application by Respondent to resume appearing or practicing before the SEC. (SEC Order, section IV).

5. Respondent admits that the facts specified in paragraphs 4 (b) and 4 (c) above constitute violations of Minnesota Statutes Section 326A.08, Subdivision 5(a) (7)) (2012) and are sufficient grounds for the remedy specified in paragraph 7 below, and that proof at hearing of any one or more of the allegations set forth would empower the Board to take disciplinary action against Respondent's certificate.

6. This Stipulation shall not in any way or manner limit or affect the authority of the Board to proceed against Respondent by initiating a contested case hearing or by other appropriate means on the basis of any act, conduct, or admission of Respondent justifying disciplinary action which occurred before or after the date of this Stipulation and that is not directly related to the specific facts and circumstances set forth herein.

REMEDY

7. **Enforcement Action.** Upon this Stipulation and record, as set forth in paragraph 4 above, and without any further notice of proceedings, the Committee and Respondent agree that the Board may, in its discretion, issue an order to Respondent as follows:

a. Revocation. Respondent's Certified Public Accountant Certificate is **REVOKED**.

b. Cease and Desist. Respondent shall not offer to perform or perform services required by law to be performed by a Certified Public Accountant as set forth in Minnesota Statutes Chapter 326A (2012) and Minnesota Rules Chapter 1105 (2011); **and** Respondent shall not use the designations "Certified Public Accountant" nor "CPA" in connection with his name, nor shall Respondent hold himself out as a Certified Public Accountant or CPA in any manner in the State of Minnesota.

c. Civil Penalty. Respondent shall pay to the Board a **CIVIL PENALTY** of Two Thousand Dollars (\$2,000.00). Respondent shall submit a Civil Penalty of Two Thousand Dollars (\$2,000.00) by cashier's check or money order to the Board within sixty (60) days of the Board's approval of this Stipulation and Order.

8. Conditions for Reinstatement of CPA Certificate. Respondent agrees that he will not petition to reinstate his CPA certificate until at least two (2) years after the date the Board Chair signs this Stipulation and Order. After the two (2) year period has been completed, Respondent may petition to reinstate his revoked CPA certificate. Respondent's reinstatement petition will be reviewed and considered by the Board pursuant to Minnesota Statutes Section 326A.04, Section 326A.09 and other applicable Board statutes and rules in effect at the time the petition it is submitted.

9. Any appropriate court may, upon application of the Board, enter its decree enforcing the order of the Board.

10. Respondent hereby acknowledges that he has read, understands, and agrees to this Stipulation and Consent Order and is freely and voluntarily signing the stipulation without threat or promise by the Board or any of its members, employees, or agents. When signing the stipulation, Respondent acknowledges that he is fully aware that the Stipulation and Consent Order must be approved by the Board. The Board may approve the Stipulation and Consent Order as proposed, approve the order subject to specified change, or reject it. If the changes are unacceptable to Respondent or the Board rejects the stipulation, it will be of no effect except as specified herein.

11. Under the Minnesota Government Data Practices Act, this Stipulation is classified as public data upon its issuance by the Board. (Minnesota Statutes Chapter

13.41, subdivision 5 (2012) All documents in the record shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2012). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein. A summary of this Order will appear in the Board's newsletter. A summary will also be sent to the national discipline data bank pertaining to the practice of public accounting.

12. This Stipulation contains the entire agreement between the parties. Respondent is not relying on any other agreement or representation of any kind, verbal or otherwise.

13. Respondent is aware that Respondent may choose to be represented by legal counsel in this matter. Respondent is represented by Kevin R. Coan, Esq.

14. If approved by the Board, a copy of this Stipulation and Consent Order shall be served personally or by first class mail on Respondent to his last known address on file with the Board. The Order shall be effective and deemed issued when it is signed by the Board Chair or designee of the chair.

