CALIFORNIA BOARD OF ACCOUNTANCY

DEPARTMENT OF CONSUMER AFFAIRS
CALIFORNIA BOARD OF ACCOUNTANCY
2000 EVERGREEN STREET, SUITE 250
SACRAMENTO, CA 95815-3832
TELEPHONE: (916) 263-3680
FACSIMILE: (916) 263-3675
WEB ADDRESS: *http://www.cba.ca.gov*

NEWS RELEASE

FRAUD, MONEY LAUNDERING AND ATTEMPTED MURDER MARK RECENT ENFORCEMENT CASES

SACRAMENTO - A recent spate of high dollar, high profile cases investigated by the CBA's Enforcement Division has resulted in the discipline of several CPA licenses.

Among those disciplined, including the underlying grounds for discipline alleged, are:

- Revocation of CPA license: San Diego area accountant Steven Martinez (CPA 64798), on or about April 16, 2013, in a criminal proceeding entitled United States of America v. Steven Martinez, in United States District Court, Southern District of California, case number 11CR1445-WQH, pleaded guilty to 12 felony counts including mail fraud, procuring a false tax return, fraudulent use of a Social Security number of another person, aggravated identity theft, making a false tax return, money laundering, witness tampering (attempted murder), use of facility of interstate commerce in murder for hire, and solicitation of a crime of violence. http://www.dca.ca.gov/cba/discipline/index.shtml#M_1245

- Revocation of CPA license: Stephen Durland, (CPA #67595) of Palm Beach, Florida and the former chief financial officer of Fremont, CA technology company, Pegasus Wireless Corporation, was convicted of securities fraud and sentenced to 33 months in federal prison. On or about October 13, 2011, Judgment was imposed on Mr. Durland based on his guilty plea on March 17, 2011, to violation of section 18 U.S.C. Section 1349 (conspiracy to commit securities fraud), 1348 (securities fraud) and 15 U.S.C. Section 78m(b)(2)(A), 78m(b)(5) and 78ff, 17 C.F.R. Section 240.13b2-1 (false books and records.) http://www.dca.ca.gov/cba/discipline/index.shtml#D_1042

- Surrender of CPA license: Anton A. Ewing, of San Diego, CA (CPA 83510) on or about August 27, 2010, in a criminal proceeding entitled *United States of America v. Anton Ewing*, in United States District Court, Southern District of California, case number 09CR1209-H, the court issued an order accepting Mr. Ewing's plea of guilty to Count 1 of the criminal indictment, conspiracy to conduct enterprise affairs through a pattern of racketeering activity, in violation of Title 18 of the United States Code, section 1962, subdivision (d), a felony. http://www.dca.ca.gov/cba/discipline/index.shtml#E_1082

All of the disciplinary actions are effective as of August 31, 2013. CBA Chief of Enforcement Rafael Ixta said he doesn't believe the cases indicate any particular trend. "It is unusual to have such serious cases come up in such a close timeframe, but it does happen from time to time," said Ixta. "But no matter when they occurred," he continued, "it's a good reminder to consumers to know who they're dealing with before doing business."

The CBA encourages consumers who have a complaint against any accountant licensed in California to file a complaint directly on the CBA Web site, www.cba.ca.gov.

Created by statute in 1901, the CBA's mandate is to protect consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards. The CBA currently regulates more than 87,000 licensees, the largest group of licensed accounting professionals in the nation, including individuals, partnerships, and corporations.

For news and information updates from the CBA as they become available, subscribe to E-News, follow us on Twitter, Facebook, LinkedIn and Pinterest.