

BOARD OF PUBLIC ACCOUNTANCY * BEFORE THE MARYLAND BOARD OF
v. * PUBLIC ACCOUNTANCY
MAURICE F. WALLACE, *
Respondent * CASE NO.: CPAS-17-0078
*

* * * * *

CONSENT ORDER

The Maryland Board of Public Accountancy (the “Board”) initiated a complaint in this matter against Maurice F. Wallace (the “Respondent”) as a result of an Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions (“PCAOB Order”) entered by the Public Company Accounting Oversight Board (the “PCAOB”) against the Respondent’s firm, Maurice F. Wallace, CPA, on or about March 29, 2017. Upon review and a subsequent investigation, the Board determined that administrative charges against the Respondent were appropriate. On or about April 11, 2018, the Board issued a Notice of Charges and Order for Hearing alleging that the Respondent engaged in certain violations of the Maryland Public Accountancy Act and related regulations. The parties enter into this Consent Order as a full and final resolution of this matter, with terms as follows:

THE PARTIES AGREE AND STIPULATE:

1. At all times relevant to the matters set forth in this Consent Order, the Respondent was licensed by the Board to practice as a certified public accountant (“CPA”) in the State and/or the Board had jurisdiction over the subject matter.
2. The Respondent’s CPA license (Registration No. 4504) is currently due to expire on or about August 11, 2019.
3. On or about March 29, 2017, the PCAOB issued an order imposing sanctions against the Respondent for violations of PCAOB Rules and related auditing standards in connection with an audit of a registered broker-dealer client. (PCAOB Release No. 105-2017-019). Pursuant to the PCAOB Order, the Respondent was censured and was required to pay a civil monetary penalty in the amount of \$7500.00.
4. The PCAOB determined that the Respondent’s violative conduct occurred in connection with his firm’s audit of the 2015 financial statements of Holloway & Associates, Inc. (“Holloway”), which were filed with the Securities and Exchange Commission, where the Respondent’s firm was not independent with respect to the client, Holloway.
5. On or about March 28, 2017, the PCAOB granted leave to the Respondent’s firm to withdraw from registration.

6. Based on the above described facts, the Respondent acknowledges and admits that his actions were in violation of Md. Ann. Code, Business Occupations and Professions Article ("BOP"), §§ 2-315(a)(1)(xi), 2-315(a)(1)(xii), COMAR 09.24.01.06(A)(1), COMAR 09.24.01.06 (G)(1), 09.24.01.06(G)(2) and COMAR 09.24.01.06(I)(1) as alleged in the Board's Notice of Charges and Order for Hearing.

7. As a result of his violations, the Respondent agrees to the following sanctions:

a. The Respondent shall pay a civil penalty in the amount of \$1000.00 to the Board in accordance with the following schedule:

(i) There shall be four consecutive monthly payments in the amount of \$250.00 each;

(ii) The first payment shall be due on August 15, 2018 with the subsequent payments due on the 15th day of each month thereafter, respectively, until such time as the total penalty amount is paid in full; and

(iii) In the event that the Respondent fails to make a required payment in accordance with the terms and conditions of this Consent Order, his Maryland CPA license shall be immediately and automatically suspended until such time as compliance occurs.

b. The Board shall issue a reprimand against the Respondent's license to practice certified public accountancy in the State.

8. The Respondent shall abide by the provisions of the Maryland Public Accountancy Act and applicable regulations in all relevant future activities.

9. The Respondent acknowledges and agrees that this Consent Order shall constitute a Final Order of the Board and shall be enforceable as such.

10. The Respondent, by entering into this Consent Order, expressly waives the right to an administrative hearing on the charges, any and all further proceedings before the Board to which it may otherwise be entitled in this matter, and any rights to appeal from this Order.

11. The Respondent enters into this Consent Order freely, knowingly, and voluntarily and with the opportunity to seek advice of counsel.

BASED ON THESE STIPULATIONS, IT IS, THIS 8th DAY OF July, 2018, BY THE MARYLAND BOARD OF PUBLIC ACCOUNTANCY:

ORDERED that the Respondent has violated BOP, §§ 2-315(a)(1)(xi), 2-315(a)(1)(xii), COMAR 09.24.01.06(A)(1), COMAR 09.24.01.06 (G)(1), 09.24.01.06(G)(2) and COMAR

09.24.01.06(I)(1);

AND IT IS FURTHER ORDERED that the Respondent shall pay a civil penalty in the amount of \$ 1000.00 to the Board in accordance with the provisions of paragraph 7 of this Consent Order;

~~**AND IT IS FURTHER ORDERED** that a **reprimand** is issued against the Respondent's license to practice certified public accountancy in the State (Registration No. 4504);~~

AND IT IS FURTHER ORDERED that, in the event that the Respondent fails to comply with the requirements in paragraph 7 of this Consent Order regarding the payment of the civil penalty, his license to practice certified public accountancy in the State shall be immediately and automatically suspended until such time as compliance occurs;

AND IT IS FURTHER ORDERED that this matter shall be resolved in accordance with the terms of this Consent Order, and that the same shall be reflected among the records of the Board;

AND IT IS FURTHER ORDERED that this Consent Order shall constitute a Final Order of the Maryland Board of Public Accountancy.

**SIGNATURE ON
ORIGINAL DOCUMENT**

Maurice F. Wallace

Date

7/9/10

**SIGNATURE ON
ORIGINAL DOCUMENT**

Arthur E. Flach, CPA, Chair
Maryland Board of Public Accountancy

Date

8/9/10