I. 


\(^1\) Section 4C provides, in relevant part, that:

The Commission may censure any person, or deny, temporarily or permanently, to any person the privilege of appearing or practicing before the Commission in any way, if that person is found . . . (1) not to possess the requisite qualifications to represent others . . . (2) to be lacking in character or integrity, or to have engaged in unethical or improper professional conduct; or (3) to have willfully violated, or willfully aided and abetted the violation of, any provision of the securities laws or the rules and regulations thereunder.

\(^2\) Rule 102(e)(1)(iii) provides, in pertinent part, that:

The Commission may . . . deny, temporarily or permanently, the privilege of appearing or practicing before it . . . to any person who is found . . . to have willfully violated, or willfully aided and abetted the violation of any provision of the Federal securities laws or the rules and regulations thereunder.
II.

In connection with these proceedings, Respondent, David A. Aronson, has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purposes of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions and a Cease and Desist Order Pursuant to Sections 4C and 21C of the Exchange Act and Rule 102(e) of the Commission’s Rules of Practice.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

A. RESPONDENT

David A. Aronson, CPA, age 56, of North Miami, Florida, is a certified public accountant licensed in the state of Florida. Aronson functioned as an accountant to Company A and Company B, from at least October 2, 2015 to approximately February 2016. From March 2005 through October 2, 2015, Aronson was the sole proprietor of a registered public accounting firm and was engaged as Company A’s auditor from 2013 through July 2015, and as Company B’s auditor from 2011 through June 2015. Aronson consented to a PCAOB order dated October 2, 2015 pursuant to which he was barred from being an associated person of a registered public accounting firm.

B. FACTS

1. ARONSON’S UNLAWFUL ASSOCIATION

   a. Section 105(c)(7)(B) of Sarbanes-Oxley states that it is “unlawful for any person that is ... barred from being associated with a registered public accounting firm [...] willfully to become or remain associated with any issuer [...] in an accountancy or financial management capacity [...] without the consent of the [PCAOB] or the Commission.”

   b. On October 2, 2015, the PCAOB filed a settled action against Aronson and his firm, David A. Aronson, CPA, for multiple deficiencies in audit work performed between 2011 and 2015 on several public company engagements, including Company B (the “PCAOB Order”). The PCAOB Order, which was and is available on its website, revoked the registration of his accounting firm and barred Aronson from being an associated person of a registered public accounting firm.

   c. Company A is a Delaware corporation and at all relevant times its common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act.
d. Company B is a Nevada corporation and at all relevant times its common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act.

e. Aronson continued to perform accountancy or financial management services after the PCAOB Order for Company A until February 2016, including, but not limited to, preparing Company A’s financial statements, and the notes to the financial statements, and preparation of the company’s Management Discussion & Analysis section for its Form 10-Q for the period ended November 30, 2015.

f. Additionally, after the PCAOB Order was issued, Aronson continued to perform accountancy or financial management services for Company B until February 2016, including, but not limited to, preparing Company B’s financial statements and the notes to the financial statements for its Form 10-Q for the period ended September 30, 2015 and preparation of the financial statements for Company B’s Form 10-K for the period ended December 31, 2015.3

g. Aronson received payment for accountancy or financial management work he performed despite having been barred by the PCAOB.

h. Aronson never requested or received consent from the PCAOB or the Commission to remain associated with Company A or Company B in this accountancy or financial management capacity.

C. VIOLATION

As a result of the conduct described above, Aronson willfully violated Section 105(c)(7)(B) of Sarbanes-Oxley, which prohibits a person barred from associating with a registered public accounting firm from willfully becoming or remaining associated with an issuer in an accountancy or financial management capacity without consent of the PCAOB or the Commission.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Aronson’s Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Aronson shall cease and desist from committing or causing any violations and any future violations of Section 105(c)(7)(B) of Sarbanes-Oxley.

B. Aronson is denied the privilege of appearing or practicing before the Commission as an accountant.

3 Company B terminated Aronson as its accountant on February 10, 2016 prior to the filing of its 2015 Form 10-K.
C. Aronson shall, within 30 days of the entry of this Order, pay disgorgement of $2,750 and prejudgment interest of $20.81 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600.

D. Aronson shall, within 30 days of the entry of this Order, pay a civil money penalty in the amount of $15,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717.

Payment must be made in one of the following ways:

1. Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

2. Respondent may make direct payment from a bank account via Pay.gov through the SEC website at http://www.sec.gov/about/offices/ofm.htm; or

3. Respondent may pay by certified check, bank cashier’s check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

   Enterprise Services Center
   Accounts Receivable Branch
   HQ Bldg., Room 181, AMZ-341
   6500 South MacArthur Boulevard
   Oklahoma City, OK 73169

   Payments by check or money order must be accompanied by a cover letter identifying Aronson as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Russell Koonin, Division of Enforcement, Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, FL 33131.

E. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent’s payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based
on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields
Secretary