

**STATE OF MINNESOTA
BOARD OF ACCOUNTANCY**

In the Matter of
Dark Horse CPAs
Unlicensed

**SETTLEMENT AGREEMENT AND
CEASE AND DESIST ORDER**

Board File No. 2024-017

STIPULATION

Dark Horse CPAs ("Respondent") and the Minnesota Board of Accountancy's Complaint Committee stipulate that, subject to Board's review and discretionary approval, the Board may issue a consent order that imposes the following sanctions:

A. Respondent shall pay to the Board a CIVIL PENALTY of Three Thousand Dollars (\$3,000). Respondent shall submit the civil penalty by check to the Board within sixty (60) days of the Board's approval of this Stipulation and Consent Order.

B. Respondent shall CEASE AND DESIST from holding out or practicing as a Certified Public Accountant (CPA) Firm until such time as Respondent obtains an active CPA Firm Permit with the Board.

C. Respondent shall comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2022) and Minn. R. ch. 1105 (2023).

D. Respondent shall report in writing within ten days any violations of this stipulation and consent order to the Board's Executive Director.

Respondent and the Committee enter into this stipulation based on the following findings of fact, conclusions of law, and other stipulated provisions:

Findings of Fact

1. The Board has not now, nor has ever, issued Respondent a CPA firm permit.
2. Respondent registered with the Secretary of State's office under Minnesota Statute 319B as a Professional Service- Accountancy firm on January 31, 2024.
 - a. Under Minnesota Statute 319.11B, subd. 3(a) (2022), no professional firm may furnish professional services within Minnesota until the firm files with each board having jurisdiction over the pertinent professional services.
 - b. Respondent has never filed an application with the Board.
3. Respondent had a Minnesota location listed on their website. Respondent removed the Minnesota location during the course of the investigation.
4. Respondent has a licensed CPA working for their company who is based in Minnesota.
5. Respondent had been holding out as a CPA firm in Minnesota prior to their removal of the Minnesota location from their website.

Conclusion of Law

1. The Board has authority to license and regulate certified public accountants and to take disciplinary action as appropriate. Minn. Stat. ch. 326A (2022).
2. Respondent violated Minn. Stat. § 326A.05, subd. 1(a)(3) (2022) and Minn. R. 1105.4200(B)(2), 1105.5600, subp. 1(C)(1) and 1105.7800(D) (2023).
3. Respondent is subject to discipline pursuant to Minn. Stat. § 326A.08, subd. (a)(1) (2022).
4. This stipulation and consent order is in the public interest.

Other Stipulated Provisions

1. This stipulation and consent order must be approved by the Board to become effective.

2. Respondent agrees that the Committee may move the Board *ex parte*, with or without advance notice to the Respondent, to approve this stipulation and consent order. Respondent understands that the Board may either approve the stipulation and consent order or not approve it. This stipulation and the files, records, and proceedings associated with this matter may be reviewed by the Board in its consideration of the Committee's motion.

3. If approved by the Board, this stipulation and consent order shall be classified as public data. Minn. Stat. § 13.41, subd. 5 (2022).

4. If the Board does not approve this stipulation and consent order, then the matter remains unresolved and the Committee may either seek to negotiate a revised stipulation and consent order with Respondent to present to the Board or issue an order commencing a contested-case hearing before an Administrative Law Judge at the Office of Administrative Hearings. See Minn. Stat. §§ 14.57–.62, 214.10, subd. 2 (2022) (describing administrative hearing process).

5. Respondent agrees that if this case comes before the Board again after it reviews and discusses this stipulation and consent order, Respondent waives any claim that the Board was prejudiced by its review and discussion of this stipulation and consent order and any records relating to it.

6. Respondent acknowledges that they were advised by the Committee of their right to a contested-case hearing in this matter before an Administrative Law Judge, to file exceptions and make argument to the Board after the hearing, and to seek judicial review from any adverse

decision rendered by the Board. Respondent hereby expressly waives those rights. Respondent was further advised by the Committee of their right to be represented by counsel and that they knowingly waive that right.

7. Respondent has read, understands, and agrees to this stipulation and has voluntarily signed it. It is expressly understood that this stipulation contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise. If approved by the Board, a copy of the final stipulation and consent order shall be served personally or by first class mail on Respondent. The Board's order shall be effective when it is signed by the Chair of the Board or the Chair's designee.

8. Pursuant to Minn. Stat. § 16D.13 (2022), any civil penalty imposed by this stipulation and consent order shall begin to accrue simple interest in accordance with that section thirty days after the civil penalty is due. Pursuant to Minn. Stat. § 16D.17 (2022), thirty days after any civil penalty imposed by this stipulation and consent order is due, the Board may file and enforce any unpaid portion of the civil penalty as a judgment against Respondent in district court without further notice or additional proceedings.

Max Fritz
Dark Horse CPAs
By: Max FRITZ
Its: COO

STATE OF California

COUNTY OF San Diego

This Instrument was acknowledged before me on 9/21/24 by Dark Horse CPAs.



[Signature]
(Signature of notary officer)

My commission expires: 01/28/2025

COMPLAINT COMMITTEE

ANN ETTER, CPA

Chair

Dated: Oct. 2, 2024

CONSENT ORDER

Upon consideration of this stipulation and consent order, and based upon all the files, records, and proceedings herein, all terms of the stipulation and consent order are approved. Accordingly, the Board hereby ADOPTS the stipulation and issues the ORDER described above.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

FOR:

CHARLES SELCER, CPA
Board Chair

Dated: 10/02, 2024