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ORDER INSTITUTING DISCIPLINARY PROCEEDINGS, MAKING FINDINGS, AND IMPOSING SANCTIONS

In the Matter of Berman W. Martinez y Asociados and Berman W. Martinez

Respondents.

PCAOB Release No. 105-2014-003

May 6, 2014

By this Order, the Public Company Accounting Oversight Board ("Board" or "PCAOB") is censuring Berman W. Martinez y Asociados (the "Firm") and Berman W. Martinez ("Martinez"), revoking the registration of the Firm, and barring Martinez from being an associated person of a registered public accounting firm. The Board is imposing these sanctions on the Firm and Martinez (collectively, "Respondents") on the basis of its findings that: (1) Respondents violated Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and PCAOB rules and auditing standards in auditing the fiscal year ("FY") 2009, 2010, and 2011 financial statements of one issuer client, and the FY 2011 restated financial statements of the same issuer client (the "Audits"); (2) the Firm violated PCAOB quality control standards and Martinez directly and substantially contributed to the Firm's violation of those standards; (3) the Firm failed to file with the Board an annual report for 2013, in violation of Section 102(d) of the Sarbanes-Oxley Act of 2002, as amended ("Act"), and PCAOB Rule 2200, *Annual Report*, and (4) the Firm violated PCAOB Rule 2202, *Annual Fee*, which provides that "[e]ach registered public accounting firm must pay an annual fee to the Board."

I.

The Board deems it necessary and appropriate, for the protection of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports, that disciplinary proceedings be, and hereby are, instituted pursuant to Section 105(c) of the Act, and PCAOB Rule 5200(a)(1) against the Firm and Martinez.

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II.

In anticipation of the institution of these proceedings, and pursuant to PCAOB Rule 5205, Respondents have each submitted an Offer of Settlement (collectively, "Offers") that the Board has determined to accept. Solely for purposes of these proceedings and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein, except as to the Board's jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondents consent to entry of this Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions ("Order") as set forth below.[1/]

III.

On the basis of Respondents' Offers, the Board finds[2/] that:

A. Respondents

1. Berman W. Martinez y Asociados is a limited liability partnership organized under the laws of the Republic of Nicaragua. The Firm operates in Managua, Nicaragua. In December 2009, the Firm registered with the Board pursuant to Section 102 of the Act and PCAOB rules. At the time of the Board's first inspection of the Firm, in April 2013, the Firm had two partners, seven staff, and one issuer client, Accredited Business Consolidators Corp. ("ACDU" or the "Issuer").[3/]

2. Berman W. Martinez, age 54, of Managua, Nicaragua, is a public accountant licensed by the Nicaraguan Ministry of Education (license number 326-2006). Martinez had final responsibility for all of the audits discussed herein, and

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[1/] The findings herein are made pursuant to the Respondents' Offers and are not binding on any other person or entity in this or any other proceeding.

[2/] The sanctions that the Board is imposing on Respondents in this Order may be imposed only if a respondent's conduct meets one of the conditions set out in Section 105(c)(5) of the Act, 15 U.S.C. § 7215(c)(5). The Board finds that Respondents' conduct described in this Order meets the condition set out in Section 105(c)(5), which provides that such sanctions may be imposed in the event of: (A) intentional or knowing conduct, including reckless conduct, that results in violation of the applicable statutory, regulatory, or professional standard; or (B) repeated instances of negligent conduct, each resulting in a violation of the applicable statutory, regulatory, or professional standard.

[3/] ACDU is the Issuer's ticker symbol.

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authorized the issuance of all audit reports discussed herein. Martinez is, and at all relevant times was, an associated person of a registered public accounting firm, as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).

B. <u>Summary</u>

3. This matter concerns Respondents' numerous and repeated violations of the Exchange Act and PCAOB rules, quality control standards, and auditing standards in connection with the audits of its sole issuer client ACDU's financial statements for the three fiscal years ended December 31, 2009 through December 31, 2011 (including the restated financial statements for FY 2011). Specifically, as detailed below, Respondents issued reports for each year containing unqualified audit opinions concerning the Issuer's financial statements and representing that the Audits had been conducted in accordance with PCAOB rules and standards. The Respondents did so under circumstances in which they knew, or were reckless in not knowing, that these representations were false. Respondents' conduct with regard to these reports violated Exchange Act Section 10(b) and Rule 10b-5 thereunder.

4. Respondents also failed repeatedly, among other things, to plan and perform audit work in accordance with PCAOB standards. Respondents also failed to exercise due professional care and obtain sufficient appropriate audit evidence to provide a reasonable basis for an opinion regarding the financial statements.

5. Furthermore, as detailed below, the Firm failed to establish and implement quality control policies and procedures sufficient to provide it with reasonable assurance that the work performed by engagement personnel met all applicable professional standards, as required by PCAOB standards. At all relevant times, Martinez was responsible for the development, implementation and monitoring of the Firm's quality control policies and procedures. Despite those responsibilities, Martinez took or omitted to take action knowing, or recklessly not knowing, that his acts and/or omissions would directly and substantially contribute to the Firm's violation of PCAOB quality control standards, in contravention of PCAOB Rule 3502, *Responsibility Not to Knowingly or Recklessly Contribute to Violations*.

6. Finally, the Firm violated Section 102(d) of the Act and PCAOB Rule 2200 by failing to file its annual report for 2013, and violated PCAOB Rule 2202 by failing to pay its annual fee to the Board in 2013.

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C. Background

7. The Firm issued two audit reports dated April 11, 2011 expressing unqualified opinions relating to the Issuer's financial statements for FY 2009 and 2010, which the Issuer included in two separate Forms 10-K that were filed with the Securities and Exchange Commission ("Commission" or "SEC") on April 15, 2011.[4/] The Firm issued an audit report dated February 9, 2012 expressing an unqualified opinion relating to the Issuer's FY 2011 financial statements, which the Issuer included in its Form 10-K filed with the Commission on March 8, 2012. Finally, the Firm issued an audit report dated January 21, 2013 relating to the Issuer's restated FY 2011 financial statements, which the Issuer included in its Form 10-K/A filed with the Commission on January 28, 2013.[5/]

8. In the Firm's three audit reports relating to the Firm's audits of ACDU's FY 2009 through 2011 financial statements, the Firm opined that the Issuer's financial statements were fairly presented "in accordance with International Generally Accepted Accounting Principles."[6/] In each report, the Firm also stated that it had conducted the audits in accordance "with the rules of the Public Company Accounting Oversight Board (PCAOB) in the United States."[7/]

9. In the Firm's audit report dated January 21, 2013, relating to the Firm's audit of ACDU's restated FY 2011 financial statements, the Firm opined that the Issuer's

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4/ The Issuer's fiscal year ends on December 31.

5/ The Form 10-K/A filing also included comparative financial statements for FY 2010 not included in the original FY 2011 Form 10-K filing. The comparative financial statements for FY 2010, however, were not restated.

6/ The footnotes to the Issuer's financial statements for FY 2009, FY 2010, and FY 2011 stated that the financial statements had been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

7/ PCAOB Auditing Standard No. 1 ¶ 3, *References in Auditors' Reports to the Standards of the Public Company Accounting Oversight Board*, provides in pertinent part the following: "[I]n connection with any engagement performed in accordance with the auditing and related professional practice standards of the PCAOB, whenever the auditor is required by the interim standards to make reference in a report to generally accepted auditing standards, U.S. generally accepted auditing standards, auditing standards generally accepted in the United States of America, or standards established by the AICPA, the auditor must instead refer to 'the standards of the Public Company Accounting Oversight Board (United States)'."

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financial statements were fairly presented "in accordance with accounting procedures generally accepted in the United States."[8/] This report also stated: "We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB) in the United States."

10. The heading of each report listed the Firm's name. Martinez personally signed each audit report as follows: "Berman W. Martinez Martinez – Authorized Public Accountant."

11. As detailed below, at the time of the Firm's ACDU audits, Martinez had no prior experience with performing audits under PCAOB standards or education regarding U.S. GAAP.

D. Respondents Violated PCAOB Rules and Auditing Standards In Connection with the Audits

12. In connection with the preparation or issuance of any audit report, PCAOB rules require that a registered public accounting firm and its associated persons comply with the Board's auditing standards.[9/] An auditor may express an unqualified opinion on an issuer's financial statements only when the auditor has formed such an opinion on the basis of an audit performed in accordance with PCAOB standards.[10/] Among other things, those standards require that an auditor exercise due professional care, exercise professional skepticism, and obtain sufficient appropriate audit evidence to provide a reasonable basis for an opinion regarding the financial statements.[11/] As detailed below, Respondents failed to comply with these standards in performing the Audits.

The FY 2009 Audit

13. ACDU is, and at all relevant times was, a Pennsylvania corporation headquartered in Nicaragua. ACDU's public filings disclose that it operates as a

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8/ AU § 410.01, *Adherence to Generally Accepted Accounting Principles,* provides that an audit report "shall state whether the financial statements are presented in accordance with generally accepted accounting principles."

9/ See PCAOB Rules 3100, *Compliance with Auditing and Related Professional Practice Standards*, and 3200T, *Interim Auditing Standards*.

10/ See AU § 508.07, *Reports on Audited Financial Statements.*

11/ See AU § 150.02, *Generally Accepted Auditing Standards*; AU § 230, *Due Professional Care in the Performance of Work*; AU § 326, *Evidential Matter*; and Auditing Standard No. 15 ("AS 15"), *Audit Evidence*.

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"holding company," making loans to and investing in various small start-up enterprises with planned or ongoing business operations in Nicaragua, other Central American countries, the United States, and Europe. The Issuer's common stock is registered with the Commission under Section 12(g) of the Exchange Act and is quoted on the OTC Bulletin Board. At all relevant times, ACDU was an issuer as that term is defined by Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

14. Respondents violated PCAOB rules and auditing standards in conducting their audit of ACDU's FY 2009 financial statements. Among other things, Martinez and the Firm failed to plan the audit by failing to: develop an overall strategy for the expected conduct and scope of the audit; determine the nature, extent, and timing of the work to be performed; or prepare a written audit program setting forth the audit procedures they believed were necessary to accomplish the objectives of the audit.[12/]

15. In performing the FY 2009 audit, Martinez and the Firm also failed to exercise due care and obtain sufficient competent evidential matter concerning significant balances and transactions in ACDU's financial statements.[13/] ACDU reported investments of $94,971, representing approximately 61% of its reported assets as of December 31, 2009. Respondents failed to perform any procedures to test the existence or valuation of the investments balance.

16. ACDU reported accounts receivable of $39,960 and cash of $19,922 representing approximately 26% and 13%, respectively, of its total reported assets as of December 31, 2009. Respondents failed to perform any audit procedures to test the existence or valuation of ACDU's accounts receivable and cash balances during the FY 2009 audit.

17. ACDU reported a related-party loan from its majority shareholder in the amount of $165,426 as of December 31, 2009, representing approximately 91% of ACDU's total reported liabilities at year-end 2009. Nevertheless, Respondents failed to perform any procedures to test the existence or valuation of the reported loan balance.

18. Finally, for the FY 2009 audit, Respondents performed no procedures to test the existence or valuation of the $30,757 that ACDU reported as expenses.

[12/] See AU § 311, *Planning and Supervision*. References to PCAOB auditing standards in connection with each audit are to the versions of those standards in effect for that audit.

[13/] See AU § 230; AU § 326.

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The FY 2010 Audit

19. Respondents violated PCAOB rules and auditing standards in conducting their audit of ACDU's FY 2010 financial statements. Respondents again failed to plan the audit, including by failing to: develop an overall strategy for the expected conduct and scope of the audit; determine the nature, extent and timing of the work to be performed; and prepare a written audit program setting forth the audit procedures they believed were necessary to accomplish the objectives of the audit.[14/]

20. In performing the FY 2010 audit, Martinez and the Firm also failed to exercise due care and obtain sufficient competent evidential matter concerning significant balances and transactions in ACDU's financial statements.[15/] ACDU reported investments of $90,030, representing approximately 61% of its reported assets as of December 31, 2010. Respondents failed to perform any procedures to test the existence or valuation of the investments balance.

21. ACDU reported accounts receivable of $47,638 representing approximately 32% of its total reported assets as of December 31, 2010. Respondents failed to perform any procedures to test the existence or valuation of ACDU's accounts receivable at year-end.

22. ACDU reported a related-party loan and accrued interest from its majority shareholder of $201,297 as of December 31, 2010, representing 100% of ACDU's total reported liabilities at year-end 2010. Nevertheless, Respondents failed to perform any procedures to test the existence or valuation of the reported loan and accrued interest balances.

23. Further, for FY 2010 ACDU reported a sale of stock assets of $102,837 as revenue and a related cost of the stock assets sold of $123,348. Respondents failed to perform any procedures to test the existence, valuation, presentation and disclosure of these transactions.

24. Finally, Respondents also failed to perform any audit procedures to test the existence or valuation of the $31,810 that ACDU reported as expenses for FY 2010.

[14/] See AU § 311.

[15/] See AU § 230; AU § 326.

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The FY 2011 Audit

25. During Respondents' audit of ACDU's FY 2011 financial statements, Respondents once again failed to comply with applicable professional standards. Respondents again failed to plan the audit. Respondents failed to develop an overall strategy for the audit that set the scope, timing and direction of the audit,[16/] or to develop and document an audit plan that included a description of the nature, timing, and extent of the risk assessment procedures and tests of controls and substantive procedures.[17/]

26. In performing the FY 2011 audit, Martinez and the Firm also failed to exercise due care and obtain sufficient appropriate audit evidence concerning significant balances and transactions in ACDU's financial statements.[18/] ACDU reported investments of $90,255, representing approximately 64% of its reported assets as of December 31, 2011. Respondents failed to perform any procedures to test the existence or valuation of the investments balance as of year-end and failed to identify and address appropriately a U.S. GAAP departure related to the valuation of those investments,[19/] including failing to identify and address appropriately whether the investments were impaired at year-end, as required by U.S. GAAP.[20/]

27. ACDU reported accounts receivable of $49,336 representing approximately 35% of its total reported assets as of December 31, 2011. Respondents

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16/ See PCAOB Auditing Standard No. 9 ¶ 8, *Audit Planning*.

17/ See id. ¶ 10.

18/ See AU § 230; AS 15.

19/ An auditor's opinion that an issuer's financial statements are presented in conformity with U.S. GAAP must be based on an audit performed in accordance with PCAOB standards. PCAOB standards require an auditor to perform audit procedures sufficient to evaluate the issuer's adherence to GAAP. This Order's description of audit failures relating to GAAP departures in the Issuer's financial statements necessarily reflects the Board's judgment concerning the proper application of GAAP. Any such description of GAAP departures, however, should not be understood as an indication that the Commission has considered or made any determination concerning the Issuer's compliance with GAAP.

20/ See ASC 320-10-35, *Investments – Debt and Equity Securities*, and ASC-325-20-35, *Investments – Other*.

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failed to perform any procedures to test the existence or valuation of ACDU's accounts receivable at year-end.

28. ACDU reported a related party loan and accrued interest from its majority shareholder of $246,714 as of December 31, 2011, representing all of ACDU's total reported liabilities at year-end 2011. Nevertheless, Respondents failed to perform any procedures to test the existence or valuation of the reported loan and accrued interest balances.

29. Finally, for the FY 2011 audit, Respondents performed no procedures to test the existence or valuation of the $27,060 that ACDU reported as expenses in its FY 2011 financial statements.

The FY 2011 Restatement

30. On January 28, 2013, ACDU filed a Form 10-K/A with the Commission that amended and restated ACDU's financial statements and related disclosures for the period ended December 31, 2011.[21/] The Firm issued an unqualified audit report dated January 21, 2013 relating to ACDU's FY 2010 and restated FY 2011 financial statements which was included in the Issuer's FY 2011 Form 10-K/A. ACDU's restated FY 2011 financial statements reported impairment charges totaling $20,599 relating to its investments, decreasing the reported investments balance from $90,255 to $64,095, or 29%, and increasing reported net loss for the year from $26,742 to $47,341, or 77%. Respondents failed to perform any audit procedures concerning ACDU's FY 2011 restated financial statements before issuing and authorizing the use of their revised unqualified audit opinion concerning those financial statements.

Respondents Failed to Comply with
Engagement Quality Review Requirements

31. PCAOB Auditing Standard No. 7 ("AS 7"), *Engagement Quality Review*, provides that an engagement quality review and concurring approval of issuance are required for all audits and interim reviews for fiscal years beginning on or after December 15, 2009.[22/] Pursuant to AS 7, a firm may grant permission to a client to use

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[21/] The restatement included, among other errors, the acknowledgment that ACDU had failed to account for the impairment of certain investments as of December 31, 2011 as required by U.S. GAAP.

[22/] AS 7 ¶ 1.

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the engagement report only after the engagement quality reviewer provides concurring approval of issuance.[23/]

32. AS 7 required that the Firm have an engagement quality review performed with respect to its audits of ACDU's FY 2010 and 2011 financial statements and FY 2011 restated financial statements. The Respondents failed to ensure that an engagement quality review was performed, and as a result, Respondents violated AS 7.

E. Respondents Violated Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder in Connection with the Audits

33. Section 10(b) of the Exchange Act and Rule 10b-5 thereunder prohibit a person, in connection with the purchase or sale of a security, from making an untrue statement of a material fact or from omitting to state a material fact necessary to make statements made, in light of the circumstances under which they were made, not misleading.[24/] To violate Section 10(b) or Rule 10b-5, a respondent must act with scienter,[25/] which the Supreme Court has defined as "a mental state embracing intent to deceive, manipulate, or defraud."[26/] Scienter encompasses knowing or intentional conduct, or recklessness.[27/] An auditor violates Section 10(b) of the Exchange Act and Rule 10b-5 thereunder by issuing an audit report stating that the audit has been performed in accordance with PCAOB standards when he or she knows, or is reckless in not knowing, that the statement is false.[28/]

23/ AS 7 ¶ 13.

24/ See 15 U.S.C. § 78j(b); 17 C.F.R. § 240.10b-5.

25/ See *Aaron v. SEC*, 446 U.S. 680, 695, 701-02 (1980).

26/ *Ernst & Ernst v. Hochfelder*, 425 U.S. 185, 193 n.12 (1976).

27/ See, e.g., *IIT v. Cornfeld*, 619 F.2d 909, 923 (2d Cir. 1980).

28/ See *In the Matter of Eugene M. Egeberg III, CPA*, Exchange Act Release No. 71348, at *7-9 (January 17, 2014); *In the Matter of Hood & Associates CPAs, P.C., and Rick C. Freeman, CPA, PCAOB Release No. 105-2013-012, at* *16-17 *(November 21, 2013); In the Matter of Harris F Rattray CPA, PL, and Harris F. Rattray, CPA,* PCAOB Release No. 105-2013-009, at *4-5 (November 21, 2013); P*. Parikh & Associates, Ashok B. Rajagiri, CA, Sandeep P. Parikh, CA, and Sundeep P S G Nair,* CA, PCAOB Release No. 105-2013-002, at *7 (Apr. 24, 2013); *Lawrence H. Wolfe, CPA*, PCAOB Release No. 105-2012-005, at *5 (Sept. 7, 2012); *The Blackwing Group, LLC and Sara L. Jenkins, CPA*, PCAOB Release No. 105-2009-007, at *9-10 (Dec. 22,

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34. Respondents performed the Audits despite having no understanding of U.S. GAAP. Additionally, neither Martinez nor Firm staff had training or prior experience in auditing the financial statements of a public company in accordance with PCAOB auditing standards. Respondents knew, or were reckless in not knowing, that few if any substantive audit procedures were performed prior to the issuance of the Firm's audit opinions. As detailed in Part III.D. of this Order, above, Respondents did not plan or perform audit procedures in accordance with PCAOB standards so as to provide support for their unqualified opinions that the Issuer's financial statements were fairly presented in accordance with U.S. GAAP. Therefore, the Respondents violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder by issuing audit reports in connection with ACDU's FY 2009 through 2011 financial statements and FY 2011 restated financial statements falsely stating that they had conducted the Audits in accordance with PCAOB "rules" or PCAOB "standards."

F. The Firm Violated PCAOB Rules and Quality Control Standards and Martinez Knowingly or Recklessly Contributed to Those Violations

35. PCAOB rules require that a registered public accounting firm comply with certain quality control standards.[29/] Under PCAOB quality control standards, a firm should establish policies and procedures that "provide the firm with reasonable assurance that the work performed by engagement personnel meets applicable professional standards, regulatory requirements, and the firm's standards of quality."[30/] Those procedures should encompass "all phases of the design and execution of the engagement," including "planning, performing, supervising, reviewing, documenting, and communicating the results of each engagement."[31/] A firm's policies and procedures should provide reasonable assurance that the firm "[u]ndertakes only those engagements that the firm can reasonably expect to be completed with professional competence."[32/] Policies and procedures, as well, should be established to provide the firm with reasonable assurance that work "is assigned to personnel having the degree of

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2009); *Moore & Associates, Chartered and Michael J. Moore, CPA*, PCAOB Release No. 105-2009-006, at *16 (Aug. 27, 2009); and *In re Richard P. Scalzo, CPA*, Exchange Act Release No. 48328, 2003 WL 21938985, at *14 (Aug. 13, 2003).

29/ See PCAOB Rules 3100 and 3400T, *Interim Quality Control Standards*.

30/ QC § 20.17, *System of Quality Control for a CPA Firm's Accounting and Auditing Practice*; see also QC § 20.03.

31/ QC § 20.18.

32/ QC § 20.15a.

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technical training and proficiency required in the circumstances."[33/] One element of quality control is monitoring, and the firm should implement monitoring procedures to provide a firm with reasonable assurance that "its system of quality control is effective."[34/] The Firm failed to comply with these PCAOB quality control standards in connection with the Audits.

36. At all relevant times, the Firm failed to put policies and procedures in place to ensure that engagement personnel performed audit procedures necessary to comply with all PCAOB standards.[35/] As a result, the Firm's personnel failed to complete necessary audit work before the Firm released its audit opinions for the Audits.

37. At the time the Firm completed each of the ACDU audits, Martinez, who acted as the auditor with final responsibility or engagement partner, had no training in PCAOB standards or U.S. GAAP. In addition, the Firm did not require its personnel to participate in continuing professional education or professional development activities to ensure that its personnel understood PCAOB standards, U.S. GAAP, and applicable SEC reporting requirements.

38. PCAOB Rule 3502 prohibits an associated person of a registered public accounting firm from taking or omitting to take an action knowing, or recklessly not knowing, that the act or omission would directly and substantially contribute to a violation of Board standards by that firm. Respondent Martinez, the principal partner of the Firm, was responsible for designing, implementing, and monitoring the Firm's system of quality control.[36/] Accordingly, Martinez had overall responsibility for ensuring that the Firm complied with PCAOB rules and standards. All of the Firm's conduct described above was either conduct of Martinez or omissions to act for which Martinez was responsible. With respect to all such acts and omissions, Martinez knew, or was reckless in not knowing, that his acts and omissions would directly and substantially contribute to the Firm's quality control violations described above. Martinez thereby violated PCAOB Rule 3502.

[33/] QC § 20.13; QC §§ 40.03 and 40.06, *The Personnel Management Element of a Firm's System of Quality Control – Competencies Required by a Practitioner-in-Charge of an Attest Engagement*; see also AU § 230.06.

[34/] QC § 30.03, *Monitoring a CPA Firm's Accounting and Auditing Practice.*

[35/] See QC § 20.17.

[36/] See QC §§ 20.01, .17, .20, and .22.

G. The Firm Violated PCAOB Rule 2200

39. Pursuant to Section 102(d) of the Act, PCAOB Rule 2200 provides that "[e]ach registered public accounting firm must file with the Board an annual report on Form 2 . . . ." PCAOB Rule 2201, *Time for Filing Annual Report*, sets forth that the deadline for filing the annual report is June 30 of each year. In violation of Section 102(d) of the Act and Rule 2200, the Firm failed to file an annual report for 2013.

H. The Firm Violated PCAOB Rule 2202

40. Pursuant to Section 102(f) of the Act, PCAOB Rule 2202 provides that "[e]ach registered public accounting firm must pay an annual fee to the Board on or before July 31…." In violation of Rule 2202, the Firm failed to pay its annual fee for 2013.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, the Board determines it appropriate to impose the sanctions agreed to in Respondents' Offers. Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), Berman W. Martinez y Asociados and Berman W. Martinez are hereby censured;

B. Pursuant to Section 105(c)(4)(A) of the Act and PCAOB Rule 5300(a)(1), the registration of Berman W. Martinez y Asociados is revoked; and

C. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Berman W. Martinez is barred from being an associated person of a registered public accounting firm, as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

May 6, 2014