

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 58240 / July 29, 2008

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 2850 / July 29, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-12794

In the Matter of

MICHAEL DEUTCHMAN, CPA,

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTIONS 4C AND 21C
OF THE SECURITIES EXCHANGE ACT
OF 1934 AND RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE**

I.

On September 13, 2007, the Securities and Exchange Commission ("Commission") issued an Order Instituting Administrative and Cease-And-Desist Proceedings Pursuant to Sections 4C and 21C of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission's Rules of Practice, and Notice of Hearing against Michael Deutchman, CPA ("Respondent" or "Deutchman").

II.

Respondent has submitted an Offer of Settlement ("Offer") which the Commission has determined to accept. Solely for the purpose 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, which are admitted, 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 Securities Exchange Act of 1934 and Rule 102(e) of the Commission's Rules of Practice ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

A. RESPONDENT

Deutchman, of Melville, New York, is a certified public accountant licensed in New York since 1971 and doing business as a sole proprietorship. Deutchman prepared and issued an audit report dated April 14, 2004, in connection with his audit of Cyber Grind, Inc. ("Cyber Grind").

B. FACTS

1. Cyber Grind, Inc. is a Nevada corporation based in Beverly Hills, California. Cyber Grind's common stock does not currently trade and is registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 ("Exchange Act"). Cyber Grind reported no revenues and no assets for fiscal year ended December 31, 2003.

2. Cyber Grind has at all relevant times been an issuer as defined by the Sarbanes-Oxley Act of 2002 (the "Act").

3. Although Respondent was aware of the Public Company Accounting Oversight Board ("PCAOB") registration requirement, at no point did Deutchman register with the PCAOB as a public accounting firm.

4. Respondent audited Cyber Grind's 2003 financial statements included in Cyber Grind's annual report for fiscal year ended December 31, 2003 on Form 10-KSB, filed with the Commission on April 14, 2004.

5. Respondent prepared and issued an audit report dated April 14, 2004, which was included in Cyber Grind's Form 10-KSB.

6. Respondent was aware of the registration requirement and the October 22, 2003 registration deadline for registration with the Board when Deutchman issued the audit report dated April 14, 2004.

C. VIOLATIONS

1. Section 4C(a) of the Exchange Act 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 by the Commission ... (1) not to possess the requisite qualifications to represent others ... 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 issued thereunder."

¹ The findings herein are made pursuant to Respondents' Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

2. Rule 102(e)(1) of the Commission's Rules of Practice provides that the Commission "may censure a person or deny, temporarily or permanently, the privilege of appearing or practicing before it in any way to any person who is found by the Commission ... (i) not to possess the requisite qualifications to represent others ... or (iii) to have willfully violated ... any provision of the Federal securities laws or the rules and regulations thereunder."

3. Section 102(a) of the Act provides that "it shall be unlawful for any person that is not a registered public accounting firm to prepare or issue, or to participate in the preparation or issuance of, any audit report with respect to any issuer."²

4. The provisions of Section 102(a) of the Act became effective on October 22, 2003.³

5. Based on the conduct described above, the Respondent willfully⁴ violated Section 102(a) of the Act.

D. FINDINGS

1. Based on the foregoing, the Commission finds that Respondent did not possess the requisite qualifications to represent others.

2. Based on the foregoing, the Commission finds that Respondent willfully violated Section 102(a) of the Sarbanes-Oxley Act of 2002.

IV.

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

Accordingly, it is hereby ORDERED that:

² A violation of the Act or any rule that the PCAOB issues under the Act is treated for all purposes in the same manner as a violation of the Exchange Act, including with respect to penalties. Sarbanes-Oxley Act of 2002, 15 U.S.C.A. § 7202(b)(1) (West 2002).

³ Section 102(a) became effective "[b]eginning 180 days after the date of the determination of the Commission under Section 101(d)" of the Act that the Board was prepared to undertake its statutory responsibilities. The Commission made the required determination on April 25, 2003. See Order Regarding Section 101(d) of the Sarbanes-Oxley Act of 2002, Securities Act Release No. 8223, Exchange Act Release No. 47746, 2003 WL 1956164 (Apr. 25, 2003).

⁴ A willful violation of the securities laws means merely "that the person charged with the duty knows what he is doing." Wonsover v. SEC, 205 F.3d 408, 414 (D.C. Cir. 2000) (quoting Hughes v. SEC, 174 F.2d 969, 977 (D.C. Cir. 1949)). There is no requirement that the actor "also be aware that he is violating one of the Rules or Acts." Id. (quoting Gearhart & Otis, Inc. v. SEC, 348 F.2d 798, 803 (D.C. Cir. 1965)).

A. Deutchman shall cease and desist from committing or causing any violations and any future violations of Section 102(a) of the Act.

B. Deutchman is censured.

C. Deutchman may practice before the Commission as an independent accountant provided that:

1. The public accounting firm with which he is associated is registered with the PCAOB in accordance with the Act, and such registration continues to be effective; and

2. He has submitted to the Commission staff (Attention: Office of the Chief Accountant) the PCAOB's letter notifying the public accounting firm with which he is associated that its registration application has been approved.

By the Commission.

Florence E. Harmon
Acting Secretary