

OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF VENTURA

NEWS RELEASE

GREGORY D. TOTTEN
DISTRICT ATTORNEY

Release Date: April 16, 2009

Contact:

Howard A. Wise, Senior Deputy District Attorney
(805) 662-1736

Release No.: 09-026

Approved By: JDE 

District Attorney Gregory D. Totten announced today that Michael Joseph Pearn (DOB 12/14/50) has been sentenced to serve three years in state prison after being found guilty of grand theft of more than \$50,000. After a six-day trial, Pearn, a former resident of Agoura, was found guilty of stealing \$97,186 from his former employees and business partners. The case was investigated by the District Attorney's Bureau of Investigation, the Los Angeles Regional Office of the U.S. Department of Labor, Employee Benefits Security Administration, and the Ventura County Sheriff's Department.

From 1995 to 2000, Pearn and two partners ran MJP Financial a/k/a Mountain View Financial, a real estate loan firm in Westlake Village. The loan firm closed in 2000. While the firm was in business, 12 employees made 401(k) contributions from their paychecks that were deposited into a 401(k) account at Morgan Stanley, which had a total value of \$97,186. In April 2003, Pearn was having financial difficulties. Based on Pearn's status as a "trustee," Morgan Stanley allowed Pearn to transfer all of the money in the company 401(k) account into Pearn's personal IRA account. Pearn then immediately transferred \$30,000 out of the IRA into another personal account. When a former business partner of the loan firm and co-trustee of the 401(k) account learned what Pearn did, she promptly reported the matter to law enforcement authorities. Some money was recovered when Pearn returned the \$72,000 still in his Morgan Stanley account.

On April 16, 2009, Judge Kevin DeNoce sentenced Pearn to three years in state prison and ordered Pearn to pay \$48,123 in restitution to the victims. This amount includes 10 percent interest from the date Pearn stole the money. Interest will continue to accrue until Pearn pays back the money.