

**ACUPUNCTURE BOARD**

444 North 3<sup>rd</sup> Street, Suite 260, Sacramento, CA 95814

Phone: (916) 445-3021 Fax: (916) 445-3015 www.acupuncture.ca.gov



October 13, 2010

Bruce Ying-Zen Lin, AC 8171  
325 Union Ave.  
Pomona, CA 91768

Re: **Case No. 1A-2009-81**  
**Stipulated Settlement and Disciplinary Order**

Dear Mr. Lin:

Enclosed is a copy of the **Stipulated Settlement and Disciplinary Order** in the matter of the accusation filed against you. Please note the effective date of the Decision is November 12, 2010.

The disciplinary order revokes your license, however, revocation is stayed and you are placed on three (3) years probation with specific terms and conditions. Please be advised that one of your conditions of probation suspends you from the practice of acupuncture for 15 days. You are required to abstain from acupuncture beginning with the effective date of this decision. It is recommended that you make the appropriate business arrangements and give prior notice to your patients in preparation of the suspension time. In addition to the suspension term, there are 11 other conditions of probation that you must comply with. Therefore, please read over them and be aware of any deadlines you must meet.

The Acupuncture Board encourages your diligent compliance with all of the terms and conditions stipulated in this agreement. If you have any questions regarding your probation and/or the conditions you are required to meet, please contact your probation monitor, Kristine Brothers, Enforcement Coordinator at [Kristine\\_Brothers@dca.ca.gov](mailto:Kristine_Brothers@dca.ca.gov) or by phone.

Sincerely,

  
JANELLE WEDGE  
Executive Officer

Enclosures

cc: Margaret Phe, DAG, DOJ  
Trina L. Saunders, Acting SDAG, DOJ

**BEFORE THE  
ACUPUNCTURE BOARD OF CALIFORNIA  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

BRUCE YING-ZEN LIN, L.Ac.

325 Union Avenue  
Pomona, California 91768

Licensed Acupuncturist No. AC 8171,

Respondent.

Case No. 1A-2009-81

OAH No. 2010031678

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Acupuncture Board of California, as its Decision in this matter.

This Decision shall become effective on                     **NOV 12 2010**                    

It is so ORDERED                     **OCT 13 2010**                    

  
\_\_\_\_\_  
Robert Breyer, Chair  
Acupuncture Board of California  
Department of Consumer Affairs  
State of California

1 EDMUND G. BROWN JR.  
Attorney General of California  
2 MARGARET PHE  
Deputy Attorney General  
3 State Bar No. 207205  
300 South Spring Street, Suite 1702  
4 Los Angeles, CA 90013  
Telephone: (213) 576-7776  
5 Facsimile: (213) 897-9395  
E-mail: Margaret.Phe@doj.ca.gov  
6 *Attorneys for Complainant*

7  
8 **BEFORE THE  
ACUPUNCTURE BOARD OF CALIFORNIA  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

9  
10 In the Matter of the Accusation Against:

Case No. 1A-2009-81

11 BRUCE YING-ZEN LIN, L.Ac.

OAH No. 2010031678

12 325 Union Avenue  
13 Pomona, California 91768

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

14 Licensed Acupuncturist No. AC 8171,

15 Respondent.

16  
17  
18 In the interest of a prompt and speedy settlement of this matter, consistent with the public  
19 interest and the responsibility of the Acupuncture Board of California (Board) the parties hereby  
20 agree to the following Stipulated Settlement and Disciplinary Order which will be submitted to  
21 the Board for approval and adoption as the final disposition of the Accusation.

22 PARTIES

23 1. Janelle Wedge (Complainant) is the Executive Officer of the Acupuncture Board.  
24 She brought this action solely in her official capacity and is represented in this matter by Edmund  
25 G. Brown Jr., Attorney General of the State of California, by Margaret Phe, Deputy Attorney  
26 General.

27 2. Respondent Bruce Ying-Zen Lin, L.Ac. (Respondent) is representing himself in this  
28 proceeding and has chosen not to exercise his right to be represented by counsel.

1 3. On or about November 6, 2001, the Acupuncture Board issued Licensed  
2 Acupuncturist No. AC 8171 to Respondent. The acupuncturist license was in full force and effect  
3 at all times relevant to the charges brought in Accusation No. 1A-2009-81 and will expire on June  
4 30, 2011, unless renewed.

5 JURISDICTION

6 4. Accusation No. 1A-2009-81 was filed before the Board, and is currently pending  
7 against Respondent. The Accusation and all other statutorily required documents were properly  
8 served on Respondent on February 3, 2010. Respondent timely filed his Notice of Defense  
9 contesting the Accusation. A copy of Accusation No. 1A-2009-81 is attached as exhibit A and  
10 incorporated herein by reference.

11 ADVISEMENT AND WAIVERS

12 5. Respondent has carefully read, and understands the charges and allegations in  
13 Accusation No. 1A-2009-81. Respondent has also carefully read, and understands the effects of  
14 this Stipulated Settlement and Disciplinary Order.

15 6. Respondent is fully aware of his legal rights in this matter, including the right to a  
16 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at  
17 his own expense; the right to confront and cross-examine the witnesses against him; the right to  
18 present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel  
19 the attendance of witnesses and the production of documents; the right to reconsideration and  
20 court review of an adverse decision; and all other rights accorded by the California  
21 Administrative Procedure Act and other applicable laws.

22 7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and  
23 every right set forth above.

24 CULPABILITY

25 8. Respondent admits the truth of each and every charge and allegation in Accusation  
26 No. 1A-2009-81.

27 9. Respondent agrees that his acupuncture license is subject to discipline and he agrees  
28 to be bound by the Board's imposition of discipline as set forth in the Disciplinary Order below.

CONTINGENCY

1  
2       10. The parties understand and agree that facsimile copies of this Stipulated Settlement  
3 and Disciplinary Order, including facsimile signatures thereto, shall have the same force and  
4 effect as the originals.

5       11. In consideration of the foregoing admissions and stipulations, the parties agree that  
6 the Board may, without further notice or formal proceeding, issue and enter the following  
7 Disciplinary Order:

DISCIPLINARY ORDER

8  
9       IT IS HEREBY ORDERED that Licensed Acupuncturist No. AC 8171 issued to  
10 Respondent Bruce Ying-Zen Lin, L.Ac. is revoked. However, the revocation is stayed and  
11 Respondent is placed on probation for three (3) years on the following terms and conditions.

12       1. ACTUAL SUSPENSION As part of probation, Respondent is suspended from the  
13 practice of acupuncture for fifteen (15) days beginning with the effective date of this decision.

14       2. ETHICS COURSE Within 60 calendar days of the effective date of the Decision,  
15 Respondent shall enroll in a course in ethics, at Respondent's expense, approved in advance by  
16 the Board or its designee. Failure to successfully complete the course during the first year of  
17 probation is a violation of probation.

18       An ethics course taken after the acts that gave rise to the charges in the Accusation, but  
19 prior to the effective date of the Decision may, in the sole discretion of the Board or its designee,  
20 be accepted towards the fulfillment of this condition if the course would have been approved by  
21 the Board or its designee had the course been taken after the effective date of this Decision.

22       Respondent shall submit a certification of successful completion to the Board or its  
23 designee not later than 15 calendar days after successfully completing the course, or not later than  
24 15 calendar days after the effective date of the Decision, whichever is later.

25       3. OBEY ALL LAWS Respondent shall obey all federal, state and local laws and all  
26 regulations governing the practice of acupuncture in California. A full and detailed account of  
27 any and all violations of law shall be reported by the Respondent to the Board in writing within  
28 seventy-two (72) hours of occurrence.

1           4.    QUARTERLY REPORTS Respondent shall submit quarterly declarations under  
2 penalty of perjury on forms provided by the Board, stating whether there has been compliance  
3 with all the conditions of probation.

4           5.    SURVEILLANCE PROGRAM Respondent shall comply with the Board's  
5 probation surveillance program and shall, upon reasonable notice, report to the assigned  
6 investigative district office. Respondent shall contact the assigned probation surveillance monitor  
7 regarding any questions specific to the probation order. Respondent shall not have any  
8 unsolicited or unapproved contact with 1) victims or complainants associated with the case;  
9 2) Board members or members of its staff; or 3) persons serving the Board as expert examiners.

10          6.    INTERVIEW WITH THE BOARD OR ITS DESIGNEE Respondent shall appear in  
11 person for interviews with the Board or its designee upon request at various intervals and with  
12 reasonable notice.

13          7.    CHANGES OF EMPLOYMENT Respondent shall notify the Board in writing,  
14 through the assigned probation surveillance compliance officer of any and all changes of  
15 employment, location and address within 30 days of such change.

16          8.    TOLLING FOR OUT-OF-STATE PRACTICE OR RESIDENCE In the event  
17 Respondent should leave California to reside or to practice outside the State, Respondent must  
18 notify the Board in writing of the dates of departure and return. Periods of residency or practice  
19 outside California will not apply to the reduction of this probationary period.

20          9.    EMPLOYMENT AND SUPERVISION OF TRAINEES Respondent shall not  
21 employ or supervise or apply to employ or supervise acupuncture trainees during the course of  
22 this probation. Respondent shall terminate any such supervisorial relationship in existence on the  
23 effective date of this probation.

24          10. COST RECOVERY Respondent shall pay to the Board an estimated one-half of its  
25 costs of investigation and enforcement in the amount of \$7,500. Respondent and Board designee  
26 shall agree to a payment plan to ensure payment of the costs prior to the completion of probation.  
27 Failure to pay the costs prior to the completion of probation is a violation of probation.

28          11. VIOLATION OF PROBATION If Respondent violates probation in any respect, the

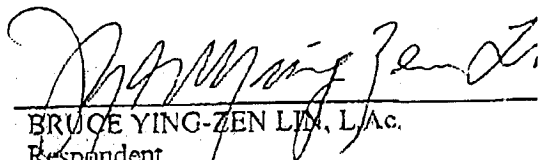
1 Board may, after giving Respondent notice and the opportunity to be heard, revoke probation and  
2 carry out the disciplinary order that was stated. If an accusation or petition to revoke probation is  
3 filed against Respondent during probation, the Board shall have continuing jurisdiction until the  
4 matter is final, and the period of probation shall be extended until the matter is final. No petition  
5 for modification or termination of probation shall be considered while there is an accusation or  
6 petition to revoke probation pending against Respondent.

7 12. COMPLETION OF PROBATION Upon successful completion of probation,  
8 Respondent's license will be fully restored.

9  
10 ACCEPTANCE

11 I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the  
12 stipulation and the effect it will have on my acupuncture license. I enter into this Stipulated  
13 Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be  
14 bound by the Decision and Order of the Acupuncture Board of California.

15  
16 DATE: Aug. 27<sup>th</sup> 2010


17   
18 BRUCE YING-ZEN LIN, L.Ac.  
19 Respondent

20 ENDORSEMENT

21 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
22 submitted for consideration by the Acupuncture Board of California.

23 Dated: 8/27/2010

24 Respectfully Submitted,  
25 EDMUND G. BROWN JR.  
26 Attorney General of California

27   
28 MARGARET PHE  
29 Deputy Attorney General  
30 Attorneys for Complainant

LA2009507674

**Exhibit A**

**Accusation No. 1A-2009-81**



**FILED**

**FEB 3 2010**

**ACUPUNCTURE BOARD**

1 EDMUND G. BROWN JR.  
Attorney General of California  
2 MARGARET PHE  
Deputy Attorney General  
3 State Bar No. 207205  
300 South Spring Street, Suite 1702  
4 Los Angeles, California 90013  
Telephone: (213) 576-7776  
5 Facsimile: (213) 897-1071  
*Attorneys for Complainant*

**BEFORE THE  
ACUPUNCTURE BOARD OF CALIFORNIA  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

10 In the Matter of the Accusation Against:

Case No. 1A-2009-81

11 BRUCE YING-ZEN LIN, L.Ac.

**A C C U S A T I O N**

12 325 Union Avenue  
13 Pomona, California 91768

14 Licensed Acupuncturist No. AC 8171,  
15 Respondent.  
16

17  
18 Complainant alleges:

19 **PARTIES**

20 1. Janelle Wedge (Complainant) brings this Accusation solely in her official capacity  
21 as the Executive Officer of the Acupuncture Board.

22 2. On or about November 6, 2001, the Acupuncture Board of California (Board)  
23 issued Licensed Acupuncturist Number AC 8171 to Bruce Ying-Zen Lin. (Respondent). The  
24 Acupuncturist License was in full force and effect at all times relevant to the charges brought  
25 herein and will expire on June 30, 2011, unless renewed.

26 **JURISDICTION**

27 3. This Accusation is brought before the Board under the authority of the following  
28 laws. All section references are to the Business and Professions Code unless otherwise indicated.

1 4. Section 4955 of the Code states in part:

2 "The board may deny, suspend, or revoke, or impose probationary conditions  
3 upon, the license of any acupuncturist if he or she is guilty of unprofessional  
4 conduct.

5 "Unprofessional conduct shall include, but not be limited to, the following:

6 " ...

7 "(b) Conviction of a crime substantially related to the qualifications,  
8 functions, or duties of an acupuncturist, the record of conviction being  
9 conclusive evidence thereof.

10 " ...

11 "(d) Aiding or abetting in, or violating or conspiring in, directly or  
12 indirectly, the violation of the terms of this chapter or any regulation  
13 adopted by the board pursuant to this chapter.

14 " ..."

15 5. Section 4955.1 of the Code states:

16 "The board may deny, suspend, revoke, or impose probationary conditions  
17 upon the license of any acupuncturist if he or she is guilty of committing a  
18 fraudulent act including, but not be limited to, any of the following:

19 " ..."

20 "(b) Committing a fraudulent or dishonest act as an acupuncturist.

21 "(c) Committing any act involving dishonesty or corruption with respect  
22 to the qualifications, functions, or duties of an acupuncturist.

23 " ..."

24 6. Section 4956 of the Code states:

25 "A plea or verdict of guilty or a conviction following a plea of nolo  
26 contendere made to a charge which is substantially related to the  
27 qualifications, functions, or duties of an acupuncturist is deemed to be a  
28 conviction within the meaning of this chapter. The board may order a license  
suspended or revoked, or may deny a license, or may impose probationary  
conditions upon a license, when the time for appeal has elapsed, or the  
judgment of conviction has been affirmed on appeal, or when an order  
granting probation is made suspending the imposition of sentence irrespective  
of a subsequent order under the provisions of Section 1203.4 of the Penal

1 Code allowing the person to withdraw his or her pleas of guilty and to enter a  
2 plea of not guilty, or setting aside the verdict of guilty, or dismissing the  
3 accusation, complaint, information, or indictment.”

### 4 COST RECOVERY

5 7. Section 4959 of the Code states:

6 “(a) The board may request the administrative law judge, under his or her  
7 proposed decision in resolution of a disciplinary proceeding before the board,  
8 to direct any licensee found guilty of unprofessional conduct to pay to the  
9 board a sum not to exceed actual and reasonable costs of the investigation and  
10 prosecution of the case.

11 “(b) The costs to be assessed shall be fixed by the administrative law judge  
12 and shall not in any event be increased by the board. When the board does not  
13 adopt a proposed decision and remands the case to an administrative law  
14 judge, the administrative law judge shall not increase the amount of any costs  
15 assessed in the proposed decision.

16 “(c) When the payment directed in the board's order for payment of costs is  
17 not made by the licensee, the board may enforce the order for payment in the  
18 superior court in the county where the administrative hearing was held. This  
19 right of enforcement shall be in addition to any other rights the board may  
20 have as to any licensee directed to pay costs.

21 “(d) In any judicial action for the recovery of costs, proof of the board's  
22 decision shall be conclusive proof of the validity of the order of payment and  
23 the terms for payment.

24 “(e) All costs recovered under this section shall be considered a  
25 reimbursement for costs incurred and shall be deposited in the Acupuncture  
26 Fund.”

### 27 UNITED STATES CRIMINAL STATUTES

28 8. Title 18 of the United States Code section 2 provides (Aiding and Abetting and  
Causing an Act to be Done):

“(a) Whoever commits an offense against the United States or aids, abets,  
counsels, commands, induces or procures its commission, is punishable as a  
principal.

“(b) Whoever willfully causes an act to be done which if directly performed by  
him or another would be an offense against the United States, is punishable as a  
principal.”

1           9. Title 18 of the United States Code section 1001 (Use of False Writing Containing  
2 False Statements) provides in part:

3                   “(a) Except as otherwise provided in this section, whoever, in any matter  
4 within the jurisdiction of the executive, legislative, or judicial branch of the  
Government of the United States, knowingly and willfully—

5                   “... .

6                   “(3) makes or uses any false writing or document knowing the same to  
contain any materially false, fictitious, or fraudulent statement or entry;

7                   “shall be fined under this title, imprisoned not more than 5 years or, if the  
8 offense involves international or domestic terrorism (as defined in section  
9 2331), imprisoned not more than 8 years, or both. If the matter relates to an  
10 offense under chapter 109A, 109B, 110, or 117, or section 1591, then the term  
of imprisonment imposed under this section shall be not more than 8 years.”

11           10. Title 26 of the United States Code section 7206 provides in part (Fraud and False  
12 Statements):

13                   “Any person who—

14                   “(1) Declaration under penalties of perjury.--Willfully makes and subscribes any  
15 return, statement, or other document, which contains or is verified by a written  
16 declaration that it is made under the penalties of perjury, and which he does not  
believe to be true and correct as to every material matter . . .”

17                   “... .

18                   “shall be guilty of a felony and, upon conviction thereof, shall be fined not more  
19 than \$100,000 (\$500,000 in the case of a corporation), or imprisoned not more  
20 than 3 years, or both, together with the costs of prosecution.”

21                   **FIRST CAUSE FOR DISCIPLINE**

22                   (Conviction of a Crime)

23           11. Respondent is subject to disciplinary action under Business and Professions code  
24 sections 4955, 4955.1, and 4956, in that he was convicted of crimes substantially related to the  
25 qualifications, functions or duties of an acupuncturist. In particular, Respondent was convicted of  
26 felony fraud and false statements, use of false writing containing false statements, and aiding and  
27 abetting and causing an act to be done in violation of the United States Code. The facts and  
28 circumstances are as follows:



1 Counts 19 through 23

2 (18 U.S.C. § 1956, subd. (a)(1)(B)(i))

3 14. On or about January 3, 2002 through April 10, 2002, "Respondent knowingly  
4 conducted, attempted to conduct, and aided, abetted, counseled, commanded, induced, and  
5 procured. . . financial transactions affecting interstate and foreign commerce, knowing that the  
6 property involved in each of the financial transactions represented the proceeds of some form of  
7 unlawful activity, and which property was, in fact, the proceeds of specified unlawful activity,  
8 that is distribution of ephedrine, a list I chemical, knowing or having reasonable cause it would be  
9 used to manufacture a controlled substance, namely, methamphetamine, a schedule II controlled  
10 substance, and knowing that each of the transactions was designed in whole or in part to conceal  
11 and disguise the nature, the location, the source, the ownership, and the control of the proceeds of  
12 said specified unlawful activity." It was further alleged that Counts 19 through 23 involved the  
13 sale by Respondent of 1,875 kilograms Ma Huang on five different dates in exchange for varying  
14 amounts of money ranging from approximately \$14,718.75 to \$16,218.75.

15 Count 24

16 (26 U.S.C. § 7206, subd. (1))

17 15. On or about April 9, 2002, Respondent did and willfully made and subscribed to a  
18 United States Income Tax Return, Form 1040, for the taxable year 2001, which he did not believe

19 shrubby plant that are sources of the drug are native to China, where the aboveground parts are  
20 collected in the fall and dried for drug use. The root of *E. sinica* or *E. intermedia* is known as ma  
21 huang gen and is considered to be a distinct drug, used for its antisudorific (anti-sleep) properties.  
22 Ma huang is one of the earliest and best known drugs of Chinese traditional medicine, referenced  
23 in the *Shen Nong Ben Cao Jing*, one of the foundation books of Chinese medicine (about 100  
24 AD). It was and still is used to induce perspiration and to treat the symptoms of bronchial  
25 asthma, colds, and influenza. Chemical investigations of ephedra in the early 20th century  
26 resulted in the isolation of the alkaloids ephedrine and pseudoephedrine, which were identified as  
27 the major pharmacologically active compounds in the aboveground portions of the plant. While  
28 asthma treatment is one of the classical clinical uses for pure ephedrine as a pharmaceutical drug,  
dietary supplements promote ephedra as the herb for weight loss and increasing athletic  
performance. Ephedra has been a major component of herbal supplements for weight loss and  
athletic performance, often with caffeine also added. Ephedra use has been linked to  
cardiovascular adverse effects, including hypertension, stroke, and MI. (Ma Huang. Review of  
Natural Products. facts and comparisons 4.0 [online], 2004, Available from Wolters Kluwer  
Health, Inc. Accessed April 17, 2007. Copyright © 2009 Wolters Kluwer Health,  
<http://www.drugs.com/npc/ma-huang.html>.))

1 to be true and correct as to every material matter contained therein. Said document was verified  
2 by a written declaration that it was made under the penalties of perjury and was filed with the  
3 Internal Revenue Service ("IRS"). Respondent reported a total income of \$325,831.00, even  
4 though he knew and believed that the reported figure did not include an additional income of  
5 approximately \$190,748.00 that he received in 2001.

6 Counts 25 through 26

7 (18 U.S.C. §§ 1001, subd. (a)(3), 2)

8 16. On or about June 6, 2002, in a matter within the jurisdiction of the Internal  
9 Revenue Service – Criminal Investigations ("IRS-CI") and the former United States Customs  
10 Service (presently known as the United States Bureau of Immigration and Customs Enforcement)  
11 ("ICE"), Respondent, and others known and unknown to the Grand Jury, aiding and abetting each  
12 other, knowingly and willfully made and used, and caused to be made and used, false writings  
13 and documents, knowing the same to contain materially false, fictitious, and fraudulent statements  
14 and entries. It was further alleged that Respondent created two false invoices to substantiate two  
15 sales of Ma Huang that he claimed to have made to C.L. and which he provided to Special Agents  
16 from the IRS and ICE during their investigation of C.L., when in truth and in fact, as Respondent  
17 well knew, the two invoices were prepared after the sales of Ma Huang to C.L. in order to cover  
18 up the undocumented and unlawful distribution of Ma Huang to C.L.

19 17. On or about July 31, 2006, Respondent entered into a plea agreement.

20 18. On or about August 1, 2006, a change of plea hearing was held, and Respondent  
21 entered into a Revised Plea Agreement, wherein he pled guilty to Counts 24, 25 and 26. The plea  
22 was accepted and entered. The court ordered the preparation of a Presentence Report, and set the  
23 sentencing hearing for January 2007.

24 19. Notably, the Revised Plea Agreement for Defendant Bruce Lin filed on or about  
25 August 1, 2006, states under the *Nature of Offense* section that in order for Respondent to be  
26 guilty of violating Count 24 of the Indictment, it was determined to be true that Respondent  
27 willfully made and signed a tax return for the year 2001, under penalty of perjury, that contained  
28 materially false information, in that the tax return did not report the total amount of his gross

1 receipts. Additionally, Respondent knew that the tax return he signed did not report all of his  
2 gross receipts and that he signed the tax return with the specific intent to violate the law. It  
3 further states that Respondent is, in fact, guilty of the offense.

4 Moreover, it states that in order for Respondent to be guilty of violating Counts 25 through  
5 26, it was in fact true that Respondent used a writing which contained a false statement in a  
6 matter within the jurisdiction of the IRS-CI, that he acted willfully in that he acted deliberately  
7 and with knowledge that the statement was untrue, and that the statement was material to the IRS-  
8 CI activities or decisions.

9 20. The Revised Plea Agreement for Defendant Bruce Lin filed on or about August 1,  
10 2006, also contained a *Factual Basis* agreed upon and stipulated to by the United States Attorney  
11 and Respondent. The facts stipulated to by the parties were as follows:

12 Respondent is the owner of Essential Pharmaceutical Corporation based in Pomona,  
13 California. From at least June 13, 2001, through April 10, 2002, Respondent through his  
14 corporation Essential Pharmaceutical purchased approximately 32,050 kilograms of Ma Huang  
15 extract. The Ma Huang extract was purchased to be sold to L.K. and C.L. for cash. L.K. and  
16 C.L. were the only persons to whom Ma Huang extract was sold, with the exception of minimal  
17 amounts that were used in the production of other orders. The labels on the Ma Huang extract  
18 containers were removed by Essential Pharmaceutical employees during shipping. Respondent  
19 and Essential Pharmaceutical Corporation kept no records of the transactions during 2001 and  
20 during the subsequent tax filing season. Respondent never informed his tax professional of the  
21 clandestine business relationship with L.K. and C.L.

22 In June 2002, Respondent was interviewed by federal law enforcement agents and was  
23 asked specifically about the Ma Huang extract. Respondent lied about the amount sold to L.K.  
24 and C.L. and caused two false invoices to be created to legitimize his explanation to the agents.  
25 Respondent also omitted his largest source of the Ma Huang when interviewed by agents.  
26 Respondent lied to his largest supplier who inquired as to the reason he was purchasing the  
27 volume of Ma Huang. Respondent told the supplier that he was using it in dietary supplements.  
28



1 Evidence subpoenaed from Essential Pharmaceutical Corporation indicates that the invoice  
2 number on the invoices for the Ma Huang extract sold to L.K. and C.L. were generated on April  
3 12, 2002, the same date when L.K. and C.L. were arrested. Bank account records show the  
4 deposit of currency into one of Respondent's bank accounts during the time he was selling Ma  
5 Huang to L.K. and C.L. Respondent also had \$83,000 cash at his residence, which was seized on  
6 June 28, 2002. Evidence has shown that Essential Pharmaceutical Corporation does not deal in  
7 cash.

8 Respondent received approximately 23 payments for Ma Huang extract from L.K. and C.L.  
9 These payments were for orders placed by C.L. for Ma Huang and were made in cash at  
10 Respondent's request. Respondent failed to report the 18 payments received in 2001 and only  
11 reported the 2002 payments receipts after learning about C.L.'s arrest in that he issued the false  
12 invoices which recognized Ma Huang income. In 2001, Respondent reported \$325,831 in total  
13 income on his U.S. Individual Income Tax Return, but failed to report approximately \$190,748.  
14 The non-reported income was also not reported on Essential Pharmaceutical Corporation's U.S.  
15 Corporate Income Tax Return for S Corporations on his Schedule K-1. Respondent signed, under  
16 penalty of perjury, his 2001 return on April 9, 2002, even though he knew that the approximately  
17 \$190,748 in Ma Huang proceeds constituted income that had not been reported on his 2001 tax  
18 return. Respondent agreed that the tax loss for the unreported income was approximately  
19 \$75,834.

20 21. On or about February 5, 2007, during the sentencing hearing, Respondent pled  
21 guilty to Counts 24 through 26. On the Government's motion, the Court dismissed Counts 1  
22 through 23 in the interest of justice. Pursuant to the Sentencing Reform Act of 1984, the Court  
23 suspended the imposition of sentence for Counts 24, 25 and 26 and placed Respondent on  
24 probation for a term of two years (the term consists of two years on each of Counts 24, 25 and 26  
25 of the Indictment, all such terms to run concurrently) under the following conditions:

- 26 (1) Respondent shall comply with the rules and regulations of the U.S. Probation  
27 Office and General Order 318;

- 1 (2) During the period of community supervision, Respondent shall pay the special  
2 assessment and fine in accordance with the judgment's orders pertaining to  
3 such payment;
- 4 (3) Respondent shall participate for a period of ten months in a home detention  
5 program which does not include electronic monitoring and shall observe all  
6 rules of such program, as directed by the Probation Officer;
- 7 (4) Respondent shall perform 300 hours of community service, as directed by the  
8 Probation Officer;
- 9 (5) Respondent shall truthfully and timely file and pay taxes owed for the years of  
10 conviction; and shall truthfully and timely file and pay taxes during the period  
11 of community supervision. Further, Respondent shall show proof to the  
12 Probation Officer of compliance with the order; and
- 13 (6) Respondent shall cooperate in the collection of his DNA sample.

14 Additionally, the Court ordered Respondent to do the following: (1) pay to the United  
15 States a special assessment of \$300, due immediately; (2) pay to the United States a total fine of  
16 \$15,000, which shall bear interest as provided by law, to be paid in full no later than 30 days from  
17 the date of the judgment; and (3) comply with General Order No. 01-05. The drug testing  
18 condition mandated by statute was suspended based on the Court's determination that Respondent  
19 posed a low risk of future substance abuse.

20 22. On or about April 3, 2007, a Satisfaction of Judgment was filed by the United States  
21 Attorney as to Respondent acknowledging full satisfaction of the monetary impositions entered  
22 on January 2007 in favor of the United States of America.

23 **SECOND CAUSE FOR DISCIPLINE**

24 (Fraud or Dishonest Act)

25 23. Respondent is subject to disciplinary action under Business and Professions Code  
26 section 4955.1, subdivisions (b) and (c), in that he committed fraud or a dishonest act when he  
27 willfully made and signed a 2001 tax return under penalty of perjury knowing that it contained  
28

1 false information, and when he utilized a writing containing a false statement during an IRS-CI  
2 investigation. The circumstances are as follows:

3 24. Paragraphs 12 to 22, inclusive, above are incorporated herein by reference as if  
4 fully set forth.

5 **THIRD CAUSE FOR DISCIPLINE**

6 (Unprofessional Conduct)

7 25. Respondent is subject to disciplinary action under Business and Professions Code  
8 sections 4955, subdivisions (b) and (d), and 4956, in that he was convicted of felony fraud and  
9 false statements, use of false writing containing false statements, and aiding and abetting and  
10 causing an act to be done in violation of committing fraud and making false statements. The  
11 circumstances are as follows:

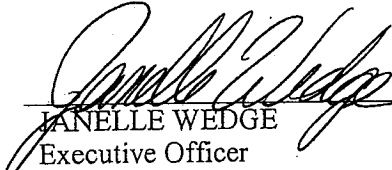
12 26. Paragraphs 12 to 24, inclusive, above are incorporated herein by reference as if  
13 fully set forth.

14 **PRAAYER**

15 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,  
16 and that following the hearing, the Board issue a decision:

- 17 1. Revoking or suspending Licensed Acupuncturist Number AC 8171, issued to  
18 Respondent Bruce Ying-Zen Lin.
- 19 2. Ordering Bruce Ying-Zen Lin to pay the Board the reasonable costs of the  
20 investigation and enforcement of this case, pursuant to Business and Professions Code section  
21 4959;
- 22 3. Taking such other and further action as deemed necessary and proper.

24 DATED: FEB - 3 2010

25   
26 JANELLE WEDGE  
27 Executive Officer  
28 Acupuncture Board  
State of California  
Complainant